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John M. Costello, chairman of subcommittee.

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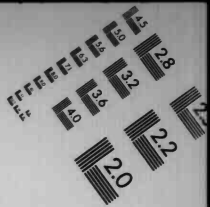
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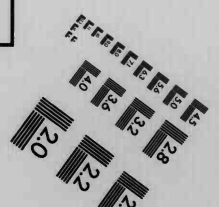
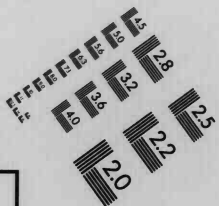


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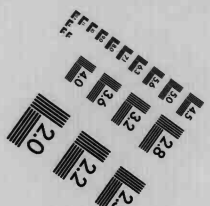
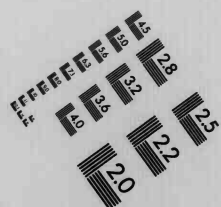
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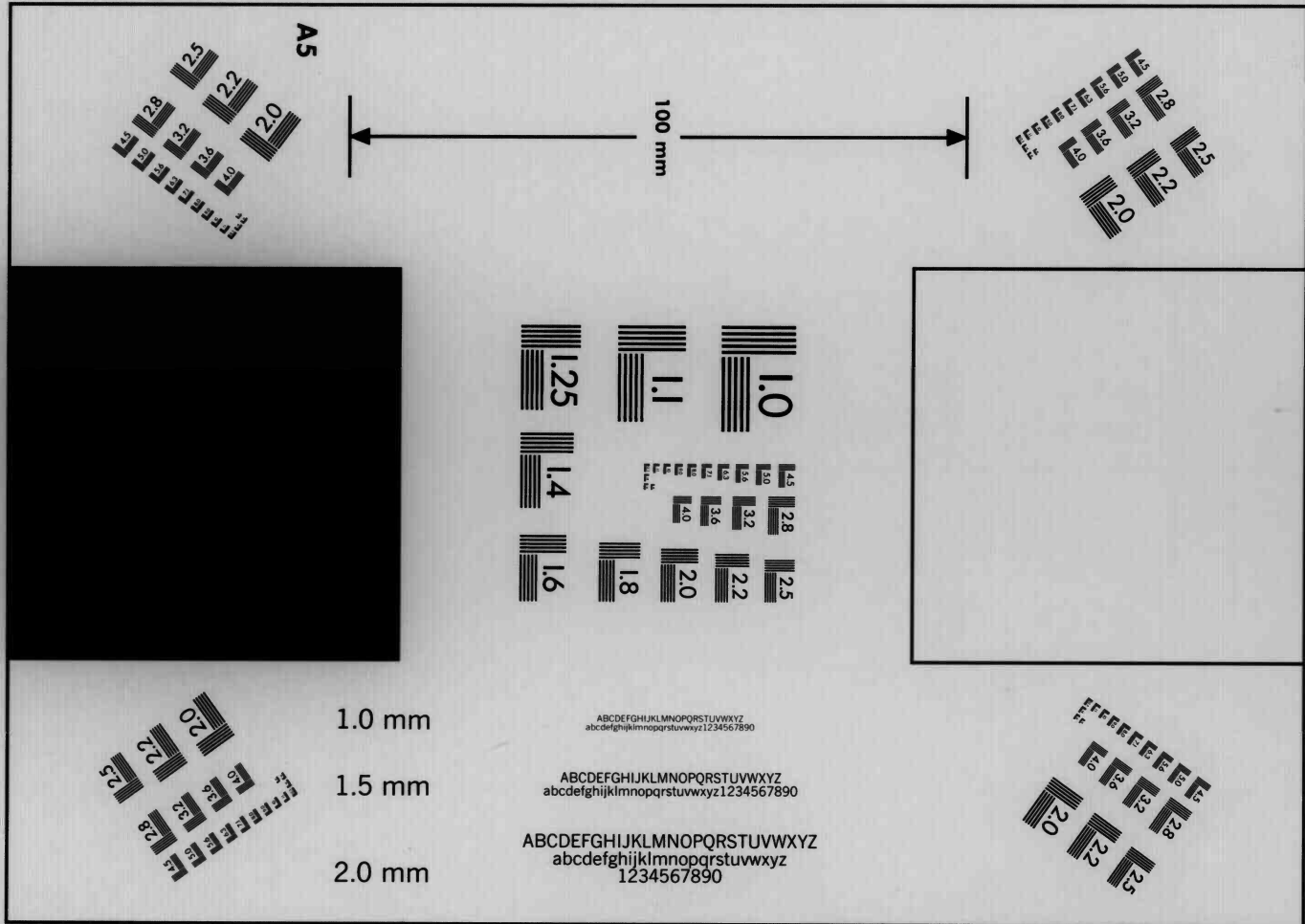
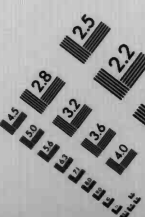
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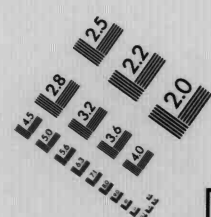


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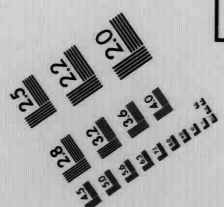
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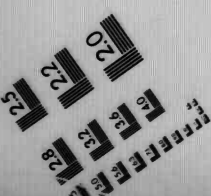
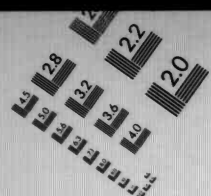


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U.S. CONG. HOUSE. COMMITTEE ON MILITARY
AFFAIRS.

HEARINGS. INVESTIGATIONS OF THE NATIONAL
WAR EFFORT.

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INVESTIGATIONS OF THE NATIONAL WAR EFFORT

HEARINGS

BEFORE THE

SPECIAL COMMITTEE ON DRAFT DEFERMENT

OF THE

COMMITTEE ON MILITARY AFFAIRS

HOUSE OF REPRESENTATIVES

SEVENTY-EIGHTH CONGRESS

SECOND SESSION

PURSUANT TO

H. Res. 30

A RESOLUTION AUTHORIZING THE COMMITTEE ON
MILITARY AFFAIRS AND THE COMMITTEE ON
NAVAL AFFAIRS TO STUDY THE PROGRESS
OF THE NATIONAL WAR EFFORT

MARCH 15, 16, 24, 27, 28, 29, AND 31, 1944

Printed for the use of the Committee on Military Affairs

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INVESTIGATIONS OF THE NATIONAL WAR EFFORT

WEDNESDAY, MARCH 15, 1944

HOUSE OF REPRESENTATIVES,
 SPECIAL COMMITTEE OF THE
 COMMITTEE ON MILITARY AFFAIRS,
 Washington, D. C.

The special committee met, pursuant to notice, at 11:30 a. m., in room 1310, New House Office Building, Hon. John M. Costello (chairman) presiding.

Present: Representatives Costello (chairman of the special committee), May (chairman of the full committee), Elston, Merritt, Fenton, and Harness.

Mr. COSTELLO. The committee will be in order.

Colonel Keesling, will you come forward, please?

Colonel, the purpose in having you appear before the committee this morning was in order that we might inquire from you in regard to some of the deferment questions which apparently are agitating the public very considerably at the present time, judging from comment in the papers from time to time. For example, we are anxious to learn about the question of deferment and various related matters. For that reason, we wanted you to come down so that we can get a record from the Selective Service.

I believe Mr. Burton has some questions he wishes to propound to you.

Mr. BURTON. Mr. Chairman, I have before me the President's memorandum, and I would like to have this spread on the record.

The CHAIRMAN. What is the date?

Mr. BURTON. February 26.

The CHAIRMAN. Without objection, it will be so ordered.

(The memorandum referred to is as follows:)

FEBRUARY 26, 1944.

MEMORANDUM FROM THE PRESIDENT OF THE UNITED STATES TO THE HONORABLE
 PAUL V. McNUTT AND MAJ. GEN. LEWIS B. HERSHEY

Subject: Occupational deferments.

The crucial campaigns of this year will determine both the length of this war and its price in men and goods. We are well equipped in food and munitions, but their production has drawn over heavily on our stock of manpower. It is time to strike a new balance. The armed forces have continuously adjusted their requirements to the minimum necessary to implement strategic plans. Initial estimates have been reduced by over a half a million men. Recently the Army has had to withdraw the great majority of men who were receiving instruction in colleges. The present allocations of personnel to the armed forces cannot be further reduced, and there is a very real danger in our failure to supply trained replacements at the time and in the numbers required. Selective Service has

not delivered the quantity of men who were expected. The shortage which commenced to develop last September reached a total of 200,000 on December 31. This means that today we are still short approximately 200,000 trained men, although the actual personnel shortage in the Army has been reduced to 150,000. Today, as a result, we are forced to emasculate college courses and trained divisions and other units. The Army will not reach its planned January strength until sometime in April, or even later if Selective Service continues to fall behind on its quotas. The Nation's manpower pool has been dangerously depleted by liberal deferments, and I am convinced that in this respect we have been overly lenient, particularly with regard to the younger men. The overage men, the physically disqualified, the returned soldier, and the women of the Nation must be used more effectively to replace the able-bodied men in critical industry and agriculture. Almost 5,000,000 men have been deferred for occupational reasons. Deferments for industry include over a million nonfathers, of whom 380,000 are under 26 years of age. Of almost a million nonfathers deferred in agriculture, over 550,000 are under 26. Agriculture and industry should release the younger men who are physically qualified for military service. The present situation is so grave that I feel that the time has come to review all occupational deferments with a view to speedily making available the personnel required by the armed forces.

FRANKLIN D. ROOSEVELT.

STATEMENT OF FRANCIS V. KEESLING, JR., SELECTIVE SERVICE SYSTEM

Mr. BURTON. Colonel, has the Selective Service been successful in meeting its calls?

Colonel KEESLING. No, sir; we have fallen down to a certain extent. One reason for that being that from October 1 until the end of the year, the father-draft legislation, as you know, was pending before Congress, and also awaiting Presidential signature. We had estimated that during that time, in order to meet our calls we would have to induct approximately 446,000 fathers. Actually during that period we inducted somewhere around 100,000 fathers, so that the entrants into the armed forces by way of induction and enlistment were below the required amount to meet the net strength the Army and the Navy wanted by the end of the year.

In addition to that, the change-over from the Navy's 7-day furlough to the longer period during February temporarily reduced the flow of manpower to the armed forces to a certain extent.

One feature that I would like to comment on a bit is the feature of the last-minute postponement of induction of men scheduled to be released under replacement schedules, or to be released from occupations for which the employers had no replacement schedules.

An example of the replacement schedule postponement of induction was the Pacific coast situation with which I am sure the committee is familiar.

The replacement schedules called for the release of a certain number of men each month, and presumably on each day of the month. When the time came for Selective Service to take those men out, the Government procurement officials concerned, as well as representatives of industry itself, certified to us that there were no replacements for those men, that the situation was such that they had not been able to get replacements, and that, therefore, if Selective Service took those men in accordance with the replacement schedules and the agreements that had been made, production would fall because there would be unfilled vacancies left. So, based upon those certifications, and also recommendations by the Air Forces and the Under Secretary

of War's office, and other Government officials, we were forced from time to time to postpone induction of those who normally would have come out.

Certainly that has had some effect in causing us to fail to keep up with calls. To the extent that they do not have replacements, of course, we have got to proceed along those lines.

Mr. BURTON. In your last report to Congress, you presented figures showing the numbers deferred in different categories. Can you tell the committee how many are in the occupation groups and can you divide them into fathers and nonfathers? Do you have any information on their ages?

Colonel KEESLING. I have somewhere here a copy of the last report containing some of that information. That report is in the Congressional Record for March 3.

In exhibit A of that report we set forth that in class 2-A, as of February 1, 1944, between the ages of 18 and 37 there were 1,037,965 registrants, of whom 251,351 were nonfathers and 786,614 were fathers.

In 2-B there were 2,166,431, of whom 782,830 were nonfathers and 1,383,601 were fathers.

In 2-C, agricultural without dependents, 728,321, of whom the figures disclose 710,500 were nonfathers and only 17,821 were fathers. That followed because it is supposed to contain those without dependents.

Class 3-C, the other agricultural occupation deferment class, appears to be close to 1,000,000—961,137, of whom 189,170 were nonfathers—presumably they were those with dependents other than pre-Pearl Harbor children, and 771,967 were pre-Pearl Harbor fathers.

As to the age break-down, I have some information on those deferred in industry and also those deferred in agriculture, between 18 and 21 and between 22 and 25. The figures are as follows: On January 1, 1944, in 2-A and 2-B combined, 18 through 21, there were 121,000 nonfathers and 1,100 fathers, a total of 122,100.

In the same classification, 2-A and 2-B, 22 through 25 years of age, there were 227,100 nonfathers and 16,000 fathers, a total of 243,100.

In the farm occupational deferment classifications, classes 2-C and 3-C, for the first age group, that is, 18 through 21 years of age, there were 394,400 nonfathers and 7,100 fathers, a total of 401,500.

In the age group 22 through 25 years old, in the farm deferment classifications there were 168,400 nonfathers and 64,200 fathers, a total of 232,600.

Of those from 18 through 25, in both agricultural and industrial occupation deferments there are 910,900 non-fathers, and 88,400 fathers, a total of 999,300—close to a million.

As to the fathers, these figures, inasmuch as they are confined to classes 2-A and 2-B, 2-C, and 3-C, do not include those who are still left in 3-A and who have not as yet been finally processed. Of course, most of the 3-C farmers would be fathers, but there would be many of the 2,593,000 3-A, pre-Pearl Harbor fathers as of February 1, who are not yet reclassified, although such reclassification is proceeding at the rate of 1,000,000 a month, and who will therefore

fall into this occupational deferment class soon, so that there will be more than that number between those age agroups when we complete final reclassification.

Mr. MAY. Mr. Chairman—

Mr. COSTELLO. Mr. May.

Mr. MAY. I regret that I have to leave the committee, but before I go I would like to ask just a few general questions, if I may.

Mr. COSTELLO. Yes.

Mr. MAY. Colonel, the newspapers reported that the Chairman of the War Production Board and the Chairman of the War Manpower Commission have been to see the President in regard to deferments for industrial purposes, and last night some radio commentator announced that General Hershey had sent a directive by way of a telegram to the local boards through the States, directing them not to further defer men 18 to 26, inclusive, but that the question of whether or not they would be deferred would depend upon whether they were engaged in some essential war job, and that was to be determined by the State director in each instance.

Now, does that mean that the Selective Service Bureau has delegated to the State director the functions of the local draft board, which the law says in the beginning was to determine whether they should be inducted or not inducted? What has that directive got to say about that?

Colonel KEESLING. I have the copy of the wire here.

Mr. MAY. Will you read it?

Colonel KEESLING. Yes; I will read it [reading]:

To All State Directors, Including Alaska, Puerto Rico, Hawaii, and the Governor of the Virgin Islands:

It is dated March 14, 1944.

Local board memorandum 115 is amended to extend the special provisions for registrants 18 through 21 to apply to registrants 18 through 25 and local board memorandum 115 B is amended to apply referral earlier registrants 26 through 37 only. Under this modification State directors are expected to recommend deferment of individual registrants under 26 years of age without whose services the production requirements of critical industry cannot be met. The making available for induction of registrants under 26 years of age will permit deferment of registrants 26 years of age and over in critical industries with progressive consideration for their relative irreplaceability and increase in age.

[Signed] HERSHEY.

In specific answer to your question, sir, it does not take away the right of the local board to pass on deferments, provided the State director makes a recommendation that deferment be granted.

The 115 release they are talking about has been in existence for some while, as you know. That provides that deferment, industrial occupational deferment, will not be granted to those under 22 except in rare instances upon certain special certification by the State director, so it is somewhat comparable to those authorized Government deferment requests. The local board is precluded from granting deferment unless there is this recommendation.

Mr. MAY. In other words, now that means definitely, if there is the recommendation by the State director, the local board then will recognize it and grant deferment, doesn't it?

Colonel KEESLING. Not necessarily, sir. The recommendation is merely an authorization to the local board to consider the registrant for deferment.

Mr. MAY. As a practical matter, if the local draft board wants to get rid of its responsibility, that is the very avenue by which they can do it and say, "The State director has directed us to do that." Is that right?

Colonel KEESLING. I don't think it would go that far.

Mr. MAY. Now, here is a—the National Director sends a telegram down to my local board—I am in that board—then, that is followed up by the State director saying "Don Jones, who is 21 years of age, should be deferred because he is in essential industry." What do you think that board is going to do?

Colonel KEESLING. Well, I think—What has been going on in the past is an indication that the boards are thoroughly independent.

Mr. MAY. I know of their independence. They say: "We would like to, Mr. So-and-So, but we cannot do anything because the regulations in Washington and the State director won't let us."

Mr. COSTELLO. Will the gentleman yield?

Mr. MAY. Yes.

Mr. COSTELLO. This new directive means, in effect, does it not, that there can be no deferment granted in that particular age group unless it is approved by the State director?

Colonel KEESLING. That is as I understand it, except for certain other provisions of this local board memorandum 115, which I want to file for the record so that you will have it before you—

Mr. HARNES. What provision of the Selective Service Act would give anyone, the President or anyone else, the right to make such a directive.

Colonel KEESLING. Under section 5 (e) there is an authorization giving to the President the right to prescribe rules and regulations for the deferment of individuals engaged in occupations. Presumably unless action were taken by the President or his delegate, there would be no industrial occupational deferments at all.

Mr. HARNES. Now, that provides that the President may issue certain rules and regulations consistent with the act—of course, consistent with the rest of the act—as a guide for the local draft boards to follow.

Colonel KEESLING. That is right.

Mr. HARNES. After all is said and done, when you consider that act, the draft boards themselves have full and complete discretion to defer anybody, and nothing can be done to the contrary by anyone else except to override their decision by appeal; is that right?

Colonel KEESLING. With this exception, that you can define the area in which deferment can be granted on (1) the age basis, because you have in section 5 a provision you can defer by age groups; and (2) you have the provision which in effect provides that no deferment will be granted unless the specific rules and regulations are prescribed. That does not mean it is not the local board that makes the finding of fact as to whether an individual man within those bounds will or will not be deferred.

Mr. HARNES. When you construe that act, taking the intent of Congress, there is nothing that can be done by anyone to defer anyone by groups; each one has to be decided on its own merits; each individual case by the local draft board, isn't that right?

Colonel KEESLING. Well, yes; you can remove an age group that would go out as a whole group, of course.

In other words, if you reduce the ages as they have done to 38—37, you wipe out the whole 38-45 year group, and you confine your selection to the 18 to 37 group.

Mr. MAY. Colonel, tell us whether or not the Director of the Selective Service, General Hershey, in sending that telegram, was induced to do that in the light of the circumstances and demands of the War Manpower Commission and the Director of the War Production Board, which, according to the papers, meant that they wanted as many men kept in critical industries as possible. Was not the general trying to make available to the services these young men by that telegram in anticipation that it might be blocked by some Executive order?

Colonel KEESLING. No, sir; although I have not had occasion to familiarize myself thoroughly with the background of this telegram, I understand it was in accordance with the general understanding as of the moment.

Mr. MAY. Well, the President told his press conference, as I understand it, yesterday, that he was working on some recommendation or regulation about the matter. Do you have any information as to what that is, as to whether it is going to definitely define one group to be deferred or not deferred?

Colonel KEESLING. I know nothing beyond what is contained in this telegraphic direction. All I know beyond that has been what I've seen in the papers.

Mr. MAY. Perhaps I should not have asked you what the President is going to do, because I suppose you know no more on that than I do, and I don't know, I am sure.

What is the shortage in manpower for military duty at the present time?

Colonel KEESLING. As you know, the pool from which Selective Service can draw is rapidly diminishing within the pool of registrants 18 through 37. The total number of that group was 22,000,000 plus, and we are confined to that group out of all the population.

In addition to that, we are restricted within that group. Going down through exhibit A hurriedly, we have 9,000,000 plus who have already gone into the armed forces, some of whom have been discharged as physically disqualified or for other reasons.

Three million five hundred thousand are in class 4-F. Under the present rules we cannot draw on them.

There are the 4,900,000 men who are occupationally deferred both in industry and agriculture, about whom I have already talked.

When you come right on down to about the first of February, about the only places to which we could look were the 2,500,000 pre-Pearl Harbor fathers who were being reclassified out of class 3-A, the occupational groups, and those in 1A who are in the process of being physically examined.

Mr. MAY. All right. Now, have you made any survey of the upwards of 3,000,000 4-F's with a view to ascertaining how many of them might be available for military service?

Colonel KEESLING. As you know, under Public Law 197 Congress prescribed that the President must appoint a committee to go into it. That committee did go into it and made a report indicating generally that there would be no appreciable change. So to all intents and

purposes we won't get any appreciable number out of that, if the rules remain the same and if the standards remain the same.

Mr. HARNESS. I would like to ask a question there, Colonel. Has there been—have you made any attempt—have you got any figures to show the number of men between 38 and 40 who might be available?

Colonel KEESLING. I don't have with me, Mr. Harness, a breakdown on it. I have some figures that were given to me about the first of the year. At that time it was estimated that there were about 7,000,000, of whom some 1,000,000 men each year go out of that pool by reason of reaching 45, or by reason of death, and that you will only gain—

Mr. HARNESS. That is the pool from 38 to 45?

Colonel KEESLING. That is right—and that you will only gain 800,000 from the age 37. Now, of course, those figures are going to vary, depending upon how many are taken out of the 37 group.

Mr. HARNESS. Has any consideration been given to permitting men between the ages of 38 and 45 to volunteer through the draft boards?

Colonel KEESLING. Volunteer—you mean for military service?

Mr. HARNESS. Yes, sir.

Colonel KEESLING. There are a very few, I am told, in view of the policy of the War Department.

Mr. HARNESS. Well, do they permit them now to volunteer through the draft board, 38 to 45?

Colonel KEESLING. There is legal authority, because, as you know, the legislation—

Mr. HARNESS. That is not what I wanted to know. What I want to know is, Will the Army or the Navy take them? My understanding is that they won't take them.

Colonel KEESLING. My understanding is, regardless of how they are going in, that very, very few are being taken. I can get you some information as to the exact number on that.

Mr. HARNESS. Wouldn't it be sensible to revise the regulation and permit men of those ages, who are physically fit and have not any dependents and really want to get into the military service and can serve, to volunteer, and through the draft boards relieve this situation somewhat?

Colonel KEESLING. This is the situation on that: The Selective Service Act, as you know, provides that no man shall be inducted, voluntarily or otherwise, until and unless he is found acceptable by the armed forces. Under that provision of the law the Army sets the standards and also applies them. They have said that they won't take any fellows from us over 37 except in unusual circumstances, relatively none.

As I understand their position, it is that even though certain numbers of them could pass and have passed the Army general service examination, that examination apparently does not determine their stamina and ability to undergo the rigors of warfare, and therefore the 38-45's are considered comparable to non-general-service personnel, and they have only so many jobs or assignments for non-general-service personnel, whether it be the WAVES, or over-38's who can pass the general service test, or the so-called limited service who are 18 to 37, inclusive, with some physical defect.

Mr. HARNESS. That is the general rule, but certainly it would not apply to the thousands and thousands of men 38 and 39 years of age who are just as physically fit as some fellows at 21 and 22.

Now, has the Selective Service suggested or tried to get the armed forces to waive the regulations with respect to these men?

Colonel KEESLING. We are continually in the process of talking with the armed forces on all possible pools, and at the time this restriction was being discussed up here, I believe that was the time of the 'teen-age bill, General Marshall made quite a definite statement about the condition that existed in camps because they were taking the older men.

Mr. HARNESS. You admit that we could get a lot of men by that means?

Colonel KEESLING. There are a lot of men there. As to whether or not they are qualified for military service, that is out of our jurisdiction, no matter what we may say or think about it, sir.

Mr. COSTELLO. Apparently you are going to require 1,300,000 men between now and July; is that correct?

Colonel KEESLING. That was February 1 until the first of July.

Mr. COSTELLO. Apparently the Navy have revised their schedules and are going to require 500,000 additional men, according to their last report.

Colonel KEESLING. I checked with the Navy this morning to find out just what their figures meant, and they still are shooting for the 3,600,000 on July 1, 1944, we told you about in our report.

In our last report we said 10.6 as of February 1, 11.3 as of July 1. The Army's desired net is 7.7, and the Navy's net for July 1 is 3.6, to reach the 11.3. I understand that the Navy's recent announcement calls for net strength of 3,700,000 for the end of this year. That will be approximately an eighty to a hundred thousand increase in the net strength from July 1 to December 31, 1944, provided they reach their net.

Mr. COSTELLO. The figure of the Navy is not any increase at all but part of their program that has been proposed previously?

Colonel KEESLING. The only increase in net strength would be the 80 to 100 thousand from the 3.6. They have been speaking of 3.6 as the maximum active strength on July 1, 1944, for the Navy, Marine Corps, Coast Guard, including women, officers, and so forth; it does not include the inactive. Of course, during that period of time, we have to provide replacements for losses—casualties, and so forth—so that when they were speaking of the number that they were going to take after February 1, that would for the most part consist of replacements for discharges, casualties, and other losses.

Mr. ELSTON. Colonel, did the Executive order of the President, authorizing the deferment of fathers in Government service for 60 days, in any manner slow up the induction of those men into the service?

Colonel KEESLING. There was a slow-up; otherwise those men would not have had a request for deferment on file. The board would have been precluded from considering them for deferment, and this order merely permitted the local board to consider those cases for deferment where request had been made by the agencies.

Mr. ELSTON. Well, as a result, that increased the call for fathers outside of the Government service.

Colonel KEESLING. That would follow to some extent, but if we had not done that we would have been taking quite a number of fathers who actually should not have gone in. Actually, it was not a blanket, it was merely spelling out who was authorized to make request in behalf of the Government, which would permit the local board to say, "If we find that he is irreplaceable, we will grant the deferment."

Mr. ELSTON. They did exercise their authority to ask for these deferments; didn't they?

Colonel KEESLING. I believe some of the agencies did request deferments.

Mr. ELSTON. And that necessarily increased the demand for fathers outside of the Government service?

Colonel KEESLING. To some extent.

Mr. ELSTON. Do you know to what extent?

Colonel KEESLING. No, sir.

Mr. ELSTON. Do you know how many fathers in Government service were affected by that order?

Colonel KEESLING. I do not have the figure here with me. I believe I could find out how many requests for deferment were filed, but then again we would not have information as to how many were subsequently granted, unless we could get it from the agencies themselves.

Mr. BURTON. About 150,000 requests were authorized—no, more than that, about 170,000.

Mr. ELSTON. Those figures, can they go in the record?

Mr. BURTON. About 170,000, is that true?

Mr. PRAETHER. The authorization for occupational deferment of Government employees, Army, Navy, and other departments, 251,000 plus.

Mr. COSTELLO. Two hundred and fifty-one thousand plus.

Mr. PRAETHER. I don't have the exact figure of the agencies—

Mr. BURTON. One hundred and thirty thousand—

Mr. PRAETHER. 111,000 plus for the Navy, 108,000 plus for the Army, and thirty-odd thousand for other branches of the Government, a total of 251,000 plus.

Mr. BURTON. That is—

Mr. PRAETHER. Authorization for occupational deferment.

Mr. BURTON. Requests for authorization.

Colonel KEESLING. That does not mean that they were granted.

Mr. BURTON. No.

Colonel KEESLING. All we did was to tell the local boards that if a request were made in a certain way—we defined what would be a proper request—the board was authorized to consider the man for occupational deferment. In other words, all we were doing was to define what was an authorized Government request. There was no blanket deferment.

Mr. BURTON. According to Mr. Praether, there were 38,000 from agencies other than the Army and the Navy, and the rest were from the Army and the Navy; is that correct?

Colonel KEESLING. I don't have the figures here.

Mr. BURTON. I think that is correct.

Mr. HARNESS. Colonel, some time ago I received a communication from an individual who was employed down South on a project, a rather large project, charging that this project was a haven for draft

evaders. Subsequent investigation reveals that a number of contractors are engaged in work down there and that there are between eight and ten thousand young men between the ages of 22 and 25 years who are, for some reason or other, not in the services. I don't know whether they have official deferments or not, or that the practice they follow in these particular companies is a complete evasion of the Selective Service Act in obtaining deferments from local draft boards, set up their own company deferment boards, go clear around the local draft boards and get permission from the director of Selective Service in that State to recommend deferment or to grant deferment.

Now, is that within your province to investigate?

Colonel KEESLING. Yes; we are supposed to keep our fingers right on those situations, and I would be glad to know the facts on that, so that I can check them.

Mr. HARNES. Do you have any knowledge of it at the moment?

Colonel KEESLING. I am not sure whether it is the same—whether I am thinking of the same thing that you are—but Judge Burton is nodding his head, so I suppose it is.

Mr. HARNES. Have you done anything about that?

Colonel KEESLING. Something is being done about it. I understand that is being looked into, sir.

Mr. HARNES. Do you expect to have a report on it within the next few days?

Colonel KEESLING. I expect so.

Mr. COSTELLO. Colonel, in view of the session on the floor of the House, I think we are going to have to continue this hearing. I wonder if it would be convenient for you to be present tomorrow morning at 10:30.

Colonel KEESLING. I will be here.

Mr. COSTELLO. Very well, we will adjourn at this time until 10:30 tomorrow morning.

(Whereupon, at 12:20 p. m., an adjournment was taken until the following day, Thursday, March 16, 1944, at 10:30 a. m.)

INVESTIGATIONS OF THE NATIONAL WAR EFFORT

THURSDAY, MARCH 16, 1944

HOUSE OF REPRESENTATIVES,
SPECIAL COMMITTEE ON DRAFT DEFERMENT,
Washington, D. C.

The special committee met at 10:30 a. m., pursuant to adjournment, in room 1310, New House Office Building, Hon. John M. Costello (chairman) presiding.

Present: Representatives Costello (chairman of the special committee), May (chairman of the full committee), Sparkman, Durham, Harness, and Elston.

Also present: H. Ralph Burton, general counsel to the committee.

The CHAIRMAN. The committee will be in order. At the hearing yesterday, Colonel, while we had you on the stand I believe we indicated to you more or less the general trend of the questions we had in mind in connection with the present situation regarding these deferments. I wish you would proceed in line with the questions yesterday.

STATEMENT OF COL. FRANCIS V. KEESLING, JR.—Resumed

Colonel KEESLING. After the hearing yesterday, Judge Burton and others told me about what they had in mind, what information they wanted, so this morning I have attempted to write out a few notes. If I may proceed and go right straight through with this short informal statement, I think it will give some basis for further questioning.

The CHAIRMAN. You may proceed, Colonel.

Colonel KEESLING. Yesterday I gave you figures on the number of men occupationally deferred. I broke them down and showed the number who were below 26 years of age in industry and agriculture. The total occupationally deferred in both industry and agriculture is approximately 4,900,000. About 2,000,000 of them are nonfathers. Of the 4,900,000 occupationally deferred about 1,000,000 are below 26 years of age.

Mr. HARNES. 1,000,000 of the total of 4,900,000?

Colonel KEESLING. 4,900,000 is the total occupationally deferred in both industry and agriculture; 1,000,000 of those are below 26 years of age, both fathers and nonfathers; 910,900 of that 1,000,000 are nonfathers under 26 years of age. The balance, some 90,000, are fathers below 26 years of age, a very small number, as you see. One of the reasons why there are so few fathers below 26 years of age in the occupational groups is that the average age of fathers is about about 33 years of age. Of course the number of fathers in those deferred classes will increase to some extent after those remaining in class III-A, the pre-Pearl Harbor fathers, are finally reclassified. The figures I gave you yesterday show there were upward of 2,000,000 still to be reclassified from February 1. Obviously a number of those

will be entitled to class II-A, II-B, II-C deferments. The fact that you have an average age of 33 for fathers, therefore, means that the fathers, for the most part, are in the upper age brackets. The Army and Navy have stated that they are not particularly interested in them. You have got these 910,900 of the 1,000,000 below 26 years of age who are nonfathers, which is a very interesting point.

The President, in his memorandum of February 26, 1944, was very emphatic in urging that the occupationally deferred be replaced, particularly the young ones under 26 years of age. In that connection I quote from the President's message:

The crucial campaigns of this year will determine both the length of this war and its price in men and goods. We are well equipped in food and munitions, but their production has drawn over heavily on our stock of manpower. It is time to strike a new balance. The armed forces have continuously adjusted their requirements to the minimum necessary to implement strategic plans. Initial estimates have been reduced by over half a million men. Recently the Army has had to withdraw the great majority of men who were receiving instruction in colleges. The present allocations of personnel to the armed forces cannot be further reduced, and there is a very real danger in our failure to supply trained replacements at the time and in the numbers required. Selective Service has not delivered the quantity of men who were expected. The shortage which commenced to develop last September reached a total of 200,000 on December 31. This means that today we are still short approximately 200,000 trained men although the actual personnel shortage in the Army has been reduced to 150,000. Today, as a result, we are forced to emasculate college courses and trained divisions and other units. The Army will not reach its planned January strength until some time in April, or even later, if Selective Service continues to fall behind on its quotas. The Nation's manpower pool has been dangerously depleted by liberal deferments and I am convinced that in this respect we have been overly lenient, particularly with regard to the younger men. The over-age men, the physically disqualified, the returned soldiers, and the women of the Nation must be used more effectively to replace the able-bodied men in critical industry and agriculture. Almost 5,000,000 men have been deferred for occupational reasons.

That is the 4,900,000 that I have been talking about, almost 5,000,000. I will skip a little bit here and come down to this point in the President's memorandum:

Agriculture and industry should release the younger men who are physically qualified for military service. The present situation is so grave that I feel that the time has come to review all occupational deferments with a view to speedily making available the personnel required by the armed forces.

Signed by the President.

The same day that we received that memorandum, which was February 26 last, we sent a wire to our State directors in which we quoted the memorandum and in which we stated as follows:

Forward text of President's memorandum to all local boards and boards of appeal in your State. Direct local boards to review the cases of all registrants ages 18 through 37 deferred in classes II-A, II-B, II-C, and III-C. In considering the reclassification of such registrants, existing regulations, instructions, and information will be applied in the light of the President's memorandum, giving particular attention to registrants under 26 years of age in view of the President's statement that agriculture and industry should release the younger for military service. Replacement schedules should be considered for such revision as may be required to comply with the President's memorandum.

In sending that message to the State directors we were, therefore, not throwing our rules and regulations and releases out the window, as some might have you suppose. We expressly recognized, as stated in there, that existing rules and regulations would be applied in the light of the President's memorandum. It was merely a tightening up, not to ruin everything overnight.

We also expressly recognized that replacement schedules would continue. The last sentence was put in there for that purpose, "Replacement schedules should be considered for such revision," but until revised not to throw everything out the window.

Following that, inquiries naturally came in and were received from the State headquarters, wanting to know what this meant, whether it meant throwing everything out the window or not. So particularly in connection with replacement schedules, in which subject this committee is so interested, on March 3, 1944, before any of these statements you've seen in the papers the last day or two, we sent a second wire to the State directors:

In view of many inquiries local boards and boards of appeal should be advised that State directors are now reconsidering replacement schedules and tightening occupational deferments in the light of the President's memorandum. Local boards should continue to consider existing replacement schedules as they have in the past, until State directors on the basis of an orderly review have an opportunity to complete their reconsideration and to make necessary revisions.

HERSHEY.

The wire that I read to you yesterday, concerning those men under 26, which was sent March 15, 1944, is entirely consistent with the other wires that I told you about. It reads as follows:

NATIONAL HEADQUARTERS OPERATIONS,
March 14, 1944.

To all State Directors, including Alaska, Puerto Rico, Hawaii, and the Governor of the Virgin Islands:

Local board memorandum No. 115 is amended to extend the special provisions for registrants 18 through 21 to apply to registrants 18 through 25, and local board memorandum No. 115B is amended to apply referral procedure to registrants 26 through 37 only. Under this modification State directors are expected to recommend deferment of individual registrants under 26 years of age without whose services the production requirements of critical industry cannot be met. The making available for induction of registrants under 26 years of age will permit deferment of registrants 26 years of age and over in critical industries with progressive consideration for their relative irreplaceability and increase in age.

HERSHEY.

It merely is an extension of them and, as a matter of fact, is a tightening up of occupational deferments of men under 26 years of age, if you read it properly. It imposes almost the same standards for the 22- to 26-year-old age group as were imposed for those under 22 some time ago, with which you are all familiar, the revised local board memorandum No. 115. I have copies for the committee if they desire them.

You have asked me why these occupationally deferred men, particularly the nonfathers, and more particularly the young nonfathers, have not been inducted to date. We have not inducted them because we agreed with you, at the time of the father draft bill, that for the time being they would be deferred so long as replacements were not in fact ready, willing, as well as able to replace them. We agreed then, further, that even though there were IV-F's, over-age men, discharges, and women who were not already in war work and who were capable of replacing these young men, even though there were persons around who were capable of doing it, we would not take those young men out immediately if those IV-F's, those over-age people, the women, and discharges, who were outside of our jurisdiction and outside of our limited pool, but certainly in the pool upon which those responsible for the industrial manpower program could draw, did

not choose to get into war work. There was nothing we could do about it. You will recall, as S. 763 came over here from the Senate, the first section in it had a provision requiring a certificate of indispensability, and, as I recall it, had that section remained in, it was the sense of this full Committee on Military Affairs to write into it—I believe it was at the suggestion of Mr. Elston, or Mr. Clason—a definition of replaceability on the basis I have already stated. We decided then not to say that no man is irreplaceable because there is somebody around who is capable of replacing him, but recognized that the question was, if you take a man out is there a replacement there at that time ready to replace him? We stated that replacements should be obtained, of course, and that turnover and other problems relating to manpower, such as hoarding and similar matters, should be forthwith, and perhaps have been long since, taken care of, so we could take men out as soon as possible without disrupting essential production when we took them out. The basis of replacement schedules was on that ground.

You asked us to give you information periodically, in response to section 6 of the bill, as to what the situation was with respect to replacement schedules, whether the men were coming out. You know I told you yesterday one reason we fell down in filling the calls is when the time comes for the man to be released under the replacement schedule in many instances we are urged to postpone induction because there are no replacements yet available or because turn-over and other fundamental manpower ailments have not been remedied.

Mr. MAY. Pardon me, Colonel, but have you already placed in the record the figures that you discussed with me last Saturday on the turn-over?

Colonel KEESLING. No, sir; I am coming to those in a little while, sir.

Mr. MAY. Very well. Go ahead.

Colonel KEESLING. You ask me why replacements have not been obtained, why turn-over from causes other than Selective Service withdrawals has not been solved, and why hoarding and other related matters have not been taken care of. It is obvious that where turn-over from causes other than Selective Service continues to exist, there is a wastage of manpower, where people are going back home to non-war work or to work not at all, or shifting from job to job, there is a wastage of manpower or losses of manpower, and therefore, for that reason, even though additional gross manpower comes into the plants, they still come to us and say, "But you, by deferment, have got to solve the whole problem and take care of that difference." It is obvious the flow of manpower comes in the front door and goes out the back door, and we are asked to keep our men there static. Occupational deferment is supposed to be only a temporary stop-gap measure. It is treating a symptom. It is like, in medical terms, using a tourniquet that you have to take off promptly.

Colonel KEESLING. You ask me why replacements have not been obtained and why turn-over has not been solved, and other matters have not been solved. My answer is that the President and Congress indirectly, by appropriations, have given that job to the War Manpower Commission, and, hence, it is not the responsibility of Selective Service.

You asked what the situation is with respect to getting replacements from among the IV-F's, the overage, the women, and discharges, with respect to curtailing turnover from causes other than Selective Service withdrawals. My answer to that is that as the responsibility is not ours but rests with the War Manpower Commission, I respectfully suggest that you call upon them for that information. However, it is common knowledge that replacements are not available for the most part for many of these occupationally deferred young men that I have referred to on the tests that we were using, nor has turn-over been licked from causes other than Selective Service.

In that connection I call your attention to the figures that Judge May was just referring to, released recently by the O. W. I., March 7, 1944, which I submit at this point for the record, if they may be entered.

Mr. MAY. Yes, they may go in the record.

(The matter referred to is attached as exhibit A.)

Colonel KEESLING. I will not attempt to analyze them, because I think it requires the study of this special subcommittee, together with other statements that have been made by Secretary Knox to the same effect, and by others recently in connection with hearings on pending legislation. However, on the first page is this statement:

The Office of War Information today reported that latest industrial turn-over figures show that for every 1,000 workers employed, 43 quit each month, 5 leave to enter the armed forces, 6 are discharged, 51 are hired, and 9 are laid off. These figures are based on December reports of the Bureau of Labor Statistics of the Department of Labor and the November reports of the War Manpower Commission, the latest information on turn-over available.

I was quoting from the release. I am still quoting from the release:

December was the first month since the United States entered the war that industry suffered a net loss in its working force.

Another quote:

The quit rate in manufacturing was higher during every month of 1943 than in the corresponding month of 1942. It reached an all-time high in August 1943. The winter decline in quitting between September and December 1943 was 32 percent, somewhat more than the 28.5 percent decline reported during the same period of 1942.

I recommend that the committee analyze those figures, together with the additional data that is available.

You asked me why it is necessary to induct these young men and therefore why, in order to do so without disrupting production, something must be done to get replacements from the IV-F's and these other groups that we have no control over, or why something is not done to cut down this turn-over from causes other than Selective Service so that men can be freed without getting any additional workers. Obviously, if you cut down turn-over, to that extent you improve the situation, or cut down the wastage or loss of men that could be fully employed in war work. If we do not have a flow in the front door of the factory and out the back door, we can go a long way. Obviously the prime reason we need these young men, particularly those 910,000 nonfathers—of course, some are not physically qualified—is that the Army and Navy state that they must have these young men. If we are to give them to the armed forces, then means

must be provided so that their withdrawal will not leave unfilled vacancies and disrupt production.

Now, I call your attention to the fact that most of these young fellows are nonfathers, the average of fathers being 33. Most of those fathers are in the higher brackets, and there are proportionately more of them necessarily in industry and agriculture, as the figures reveal.

Mr. HARNES. Right there at that point, of course I think you will have in that 910,000 some that will be physically unfit for war service, but the War Department and your office come down here in one breath and say, "We have got to have these men," and in the next breath when we ask about this kind of a case that I mentioned, this contracting firm, and we ask about the 100,000 in the War Department, nothing seems to be done to get them put off the pay roll and get them into the armed services.

Colonel KEESLING. Certainly, sir, I agree with you 100 percent on the proposition that if there are people deferred improperly we have got to get them; no question about that.

Mr. HARNES. Some of these people are not deferred, certainly not officially deferred.

Colonel KEESLING. I think when our records of April 1 are brought before the committee, in accordance with the requirement of the act, and those who are now in class III-A are put into other classifications, the picture will clear up considerably for you, sir.

Mr. HARNES. You mean to say by that that the draft boards simply have not been functioning properly to reclassify these men?

Colonel KEESLING. No, sir; they have been classifying the pre-Pearl Harbor fathers out of class III-A at the rate of a million a month, in addition to doing these other classification actions. In other words, many of those fellows are fathers in process of reclassification, having been deferred for reasons other than their occupations.

As to the War Department figures that you are speaking of, the 100,000, we have no way of getting information on them, but I dare say today the figures are a lot different than they have been, because many of them are pre-Pearl Harbor fathers whom we have not reached yet, but who were in I-A awaiting processing.

Mr. HARNES. That 100,000 people were deferred by order of the President, extending the time to March 31. Maybe that is the reason you are 200,000 behind.

Colonel KEESLING. We have estimated we could meet our calls until July 1 by taking 420,000 from those who were listed as being in I-A on February 1, including some fathers who were in that group naturally having come out of class III in this process we were talking about, and put into class I-A, awaiting physical examination or reclassification or appeal, 420,000 from there, and 250,000 out of those remaining in class III-A—that was the 10 to 1 that you were speaking of the last time—which would be placed in class I-A and ultimately be inducted; 250,000 are within this 5-month period from February 1 to July 1 reaching 18 years of age who would be inducted through Selective Service, and 200,000 to 250,000 would, if we went on that schedule, have to come from industry and agriculture in these occupationally deferred classifications.

You ask whether or not that is a fixed schedule, whether you are going to gain that exact number from each of those groups. Obviously that is not a fixed schedule, it is subject to change. If, for example, we could get more than the 200,000 or 250,000 that were

allocated there as coming out of industry and agriculture, if we could get more out of industry and agriculture in this 5-month period, to the extent we did get more we would not take, during that period, as many fathers. This is obvious.

You asked if it is not true that had these men been replaced, these occupationally deferred men, by IV-F's, by women, and so forth, or by curtailing turn-over from causes other than selective service withdrawals, whether under those circumstances fewer fathers would have been inducted up to this time, or perhaps none at all up until this time. The answer is obvious. Up until February 1 we had inducted only 161,000 pre-Pearl Harbor fathers. Had sufficient replacements been furnished for occupationally deferred men, or had turn-over been curtailed—I am not saying it could have been, I am just saying had it been—we would not have taken that number of fathers, at least not that soon. We might have to take them sometime later to meet our requirement, I am not saying we are not going to take them sometime later, but I say, in accordance with the program of Congress, that we must get men who are nonfathers first, without disrupting your war effort program, we should take them first, and everything should be done to get replacements from IV-F's, over-age men, discharges, and women.

Mr. HARNES. By taking the pre-Pearl Harbor fathers it would mean an additional cost to the Government to maintain their families while these men are in the service, would it not?

Colonel KEESLING. Yes. Regardless of the number of men needed between now and July 1, and after then, there is a fundamental matter that I want to bring to your attention. The Navy announced, as I said the last time, they were increasing their desired net strength from the July 1st figure of 3,600,000 to 3,700,000 as of the end of this year, not as of July 1 but as of the end of this year, which is a net increase of 100,000 between July 1 and December 31, 1944, and which means the total armed forces, the net total, would be close to 11,400,000 instead of 11,300,000. They say they need those men for their shipbuilding program, to man the ships.

In addition to net increases after July 1, if we reach the 11.3 by July 1, there will be the 100,000 additional net increase for the Navy. I am not sure what the Army is going to do, but you have replacements to get; so somewhere along the line between now and July 1, and after July 1, we have to be squeezing down, we have to get tighter, and it is going to become increasingly more important that we do get the men out. As we have to take many of them out of industry, we have to see to it that production will not fall off. The fact you say today that this man is irreplaceable on the test we are using, namely, if we take him out of a plant will not be producing the critical materials needed, surely you have to do something to get them replaced if you need them, but that does not mean everybody should go to sleep on the job. To the contrary, they should ask, "Is there anything we can do to get replacements? Is there anything we can do to stop turn-over? Is legislation needed?" That is why I say we have to face the facts and decide that.

Regardless of the numbers involved that we have to take out of industry and agriculture, whether it is 200,000 or 250,000, as we say on the schedule, whether it is 500,000, whatever it is, even though we could say we could get out of pre-Pearl Harbor fathers enough physically qualified men to meet our calls from now until the end,

that, to me, is not the only point involved. As Mr. Harness has said, there is another point involved. There is the point of cost to the Government if you take fathers in, no question about that. There is a fundamental matter that I would like to bring to your attention, namely, the question of fairness, and this is often overlooked. What happens in the case of the men who have gone at the right time, who did not have occupational deferments? They are willing to wait a reasonable time to have the deferred fellows replaced, to have the home front put in order so as to get replacements by IV-F's, women, and so on, so these other fellows can take their place in the war, but after a reasonable time goes by and the man in the front lines finds that this fellow who lives in the same block with him is not there, this fellow that is in the war is going to begin to wonder why his neighbor is not there, and his family is going to begin to wonder, particularly when their own sons and husbands get maimed and killed.

Regardless of the numbers you need, even if you can get them from pre-Pearl Harbor fathers or elsewhere, you have got more than mere numbers involved.

In addition to that there is a very important fact that you mentioned, sir, and that is the fact that you are going to have these wives of the fathers that we have already taken and are going to take, and their children, and if their husbands get killed, after the war is over how are they going to feel about the situation if they feel we haven't done everything that could be done here to get these other fellows called up? They are willing to make the sacrifice provided we deal fairly with them, but there are matters of that kind involved.

One further point which to me is very fundamental and basic, and that is the morale of the men themselves who are occupationally deferred. Even if you decide not to take any of them between now and July 1, and say, "Stay there, boys, stay there, that is your duty to the Government," or, "It costs too much to train replacements. It is impossible, so we will let this thing go. We do not want to do anything that is distasteful. We will give industry, labor, and agriculture a 150 percent square deal instead of just what they should have," by doing that it is obvious you are going to short-change Uncle Sam, the war effort, and the national welfare. There is no question in my mind about that.

So you come down to the point of the morale of the men themselves. How is a fellow going to feel, how is he feeling today, when we tell him, "You have got to stay there even though you are young. You have to stay there even though you are a non-father. You have got to stay there because we cannot get IV-F's to take your place, or women, or if we get them we cannot keep them there?" How is he going to feel after the war is over, or right now? Right now he is working alongside a woman who gets her son killed or injured. How efficient do you think he's going to be when so mentally disturbed? Are you going to be able to keep him there even if you want to? I say it is not fair to those men not to provide the means, if you possibly can, so that they can leave.

Mr. HARNESS. Colonel, I would like to call your attention to something that I will probably speak on on the floor of the House today. At Wright Field several young men in the front office want to go into the service. They want to get released, yet the Army

man in charge says, "No, you cannot get released." If they don't give them a release, they cannot get their job back. They are doing nothing that is so essential. Women may do the same work that they are doing.

Colonel KEESLING. I agree with you, sir, if you can get the women.

Mr. HARNESS. The fault does not lie altogether with industry, and it does not lie altogether with the men themselves.

Colonel KEESLING. No, sir, not entirely. On many instances, not at all. That is what I am saying.

Mr. HARNESS. I think you need to get some kind of coordination in the Army and the Navy, get them to loosen up, to set an example for industry.

Colonel KEESLING. I have no doubt, when you look into the matter and decide what are the facts, and what, if anything, has to be done to get replacements from the IV's, to get women, and so forth, or cut down turn-over, I think you may find that, to a great extent, industry, agriculture, and labor have done everything that they can.

Mr. MAY. Colonel, I have suggested at other times mandatory legislation.

Colonel KEESLING. Yes.

Mr. MAY. And you, in each instance, have objected to it because you said it will not work. Suppose the Congress decided to pass a bill definitely stating that nobody under 26 years of age shall be deferred except for physical disability, and then provide that nobody above 26 years of age shall be inducted for a period of time? Let us try that.

Colonel KEESLING. Well, sir, at the moment, just giving you my personal view because I have not taken the matter up elsewhere, I have always been somewhat afraid of a rule of thumb approach, because I believe even though the job has not been done of getting IV-F's and others in as replacements, or cutting down turnover and other things, I think you have got to face the facts and realize that some of the men at least for a period of time, who are under 26 are going to have to stay there, in exceptional cases. That is what we have done by our recent instructions. We said only in exceptional cases can they stay there, but again we have got to try to do something so we can get all of those fellows out that we can.

Mr. MAY. Of course, I agree with you that the rule of thumb might be a hardship, all right, but I do not think it would be any worse than the confusion we have got as the result of the conduct of the different agencies. What we have got to do is to get the war over and get necessary replacements without breaking the Government, the small businessmen, and the homes of the country. I agree that your department has cooperated with us and taken a reasonable stand on it, but from other sources we have not had that kind of cooperation.

Colonel KEESLING. I will make this observation, that anything we do, whether it be by mandatory legislation of that sort or whether it be by an administrative arrangement, you still have to do something in the ultimate, and soon, in order to cut down the turn-over. There is no question that production will be hurt unless you can get replacements. The point I am making is, even if you did take them all, you still are going to fall short, and the question is: What further action must be taken administratively or by legislation in order to control turn-over from causes other than selective service, and in order to, perhaps, get some of these IV-F's involved?

Yesterday, before a subcommittee of the Senate Committee on Agriculture, they were talking about the situation which now exists where men who have been deferred in agriculture, who are processed up out of II-C to class I-A, get their physical examination and are placed in IV-F and then don't return to war work. Instead, many of them make their own individual post-war plans and go into peacetime work. There is no control over that.

Secretary Knox stated recently, in a very interesting statement that I would like to present to the committee for the record, that as you approach what people believe is peacetime there is more and more of an urge and trend for individuals who were in IV-F to scramble for the permanent peacetime jobs. It is just one of those things that we have got to face, and somehow or other you have got to get hold of this turn-over problem and work out some way of getting sufficient people to stay where they are.

(The statement referred to is attached as exhibit B.)

Mr. HARNES. Colonel, has this quota system contributed in any way to the shortage?

Colonel KEESLING. In what respect, sir?

Mr. HARNES. Have you adopted the State quota system that we authorized in the recent legislation, Public Law 197?

Colonel KEESLING. Yes, sir. No, that has not interfered with it.

Mr. HARNES. Have you adopted that State quota system?

Colonel KEESLING. Yes, sir; we are on that basis. What we do is, as these men are put into class I-A, we earmark them as between fathers and nonfathers. In filling the local board calls, the nonfathers are sent up that are in I-A now before the fathers, and the size of the call in the local board is determined by the State director who is like a general manager of chain stores in a State. He gets inventory information as to the potential source of nonfathers and fathers in class I-A in each board and he breaks down his requisition on that basis, so as to pull in the nonfathers before fathers. That is on a State basis. On the Nation-wide basis we do the same thing. When we get the calls from the War and Navy Departments we get information from the States and break it down among the States on that basis.

Mr. HARNES. Who fixes the State quotas?

Colonel KEESLING. We do in national headquarters.

Mr. MAY. Now, Mr. Chairman, let me proceed with another question. I am glad Mr. Harness called up the question of quotas. I think I will just go down to my home county to give you an illustration of how your quotas work down there. That county has a population of 60,000. In the county there are about one-third of the able-bodied men engaged in the coal-mining industry. Originally they were regarded and set off in groups as essential to the production of coal. Now, then, there was another third that could not find jobs in there or went to war industries on account of high wages and they left the county. Now, then, that took out of the picture two-thirds of the available manpower and left a quota based on 60,000 to be raised on the one-third, so they have gotten down to the point where they have taken small businessmen and heads of families, and you can hardly find anybody in the town in my district except old men, children, and women. That is the situation that I think is similar to what exists in nearly every community in the county. Why

didn't you revise your quotas from time to time so as to handle the situation there?

Colonel KEESLING. I will try to explain how we do fix our quotas generally, without getting into details, because there are formulas and technical details involved. We do not say that because one State has 5,000 registrants and another State has 1,000 registrants, and we get a call for 6 registrants, that we are going to take 5 out of one and 1 out of the other. We do not work on that basis. In other words, we do not say, depending upon the size of the call that we will spread it on a percentage of registrants basis, on a percentage of the total registrants of the United States; we say we will base it on what is available, after considering deferments and exemptions. So, if properly applied to the States, and in turn by the State directors to their local boards, and if we had a situation where one local board happened to have in it a large number of IV-F's, or a tremendous number of pre-Pearl Harbor fathers who were in essential work, and another board did not have anything of that sort, happened to be in a part of town where nobody is engaged in essential work and they are all physically qualified fellows, we would call heavier on the one board than on the other. It is obvious from what you said, if we put it on a proportionate basis, based solely on the total number of registrants, we would be taking only a part of the young, unessential men out of one board while we were taking essential fathers out of the other board. But we do not do it that way.

Mr. MAY. That comes to this question: Who do you think, under the law as it is now, the Selective Service law, with all of the amendments that we have put on it, has the original discretion as to who should go into the Army and who should not go, subject to appeal?

Colonel KEESLING. From what standpoint do you mean?

Mr. MAY. Does not the local draft board exercise that function exclusively?

Colonel KEESLING. With the exception of the national rules which we put out and within which they work, and also with the exception of fixing and applying the standards for admission to the armed forces which functions of the Army and Navy.

Mr. MAY. In other words, what you are saying is just what we experience here. The Congress enacts a law and sets up 6,000 draft boards throughout the country under the argument from the War Department, including General Marshall and the Secretary of War, and everyone else, that it is for the people in the community to say who should and who should not go into the military service. You are saying now that the State director should determine whether a man is essential and therefore determine whether he should go into the service or not, by regulation.

Colonel KEESLING. It is a little bit the other way around, Judge, if I may explain it to you. In that wire that I think you are referring to, we did not say that the State director was going to go in and determine all occupational deferments. You have in mind exactly what we had in mind. This procedure is similar to that you set up for filing requests for deferment for Government employees. No such employee would be occupationally deferred by reason of his job in the Federal Government, unless, before the local board considered him for deferment, there was an authorized request for deferment filed. All we are saying in effect here, with but few exceptions, is

that nobody under 26 years of age will be considered for deferment by his local board unless the State director recommends it.

Mr. MAY. All right.

Colonel KEESLING. In other words, he authorizes the local board to consider it. Even if he does so, the local board still makes up its mind and decides whether or not to grant the deferment.

Mr. MAY. Just wait a minute. That "unless the State director" does so and so, takes absolutely away from the local board the question of discretion and puts it in the State director.

Colonel KEESLING. No, sir.

Mr. MAY. Wait a minute. Because if the State director can say John Smith, who is running a dynamo at the mouth of the coal mine, is an essential man, he stays there regardless of whether the local draft board says he should go or not go, isn't that right?

Colonel KEESLING. No, sir. There is one further step. If the War Department, Judge Patterson, Mr. Nelson, or somebody comes in and says, "We have got to have this fellow for another month," and they convince the State director, the State director, being the channel for that information, passes it on to the local board and says, "These are the facts and I make this recommendation," and the board then determines whether it will grant deferment. Then, after the board—this is very important—after the local board makes its decision under Public Law 197 which you recently passed, if the man is working outside of the area in which his appeal board is located, that case has to go to the appeal board for the area in which he is working. So we have a pretty good check on it.

Mr. MAY. Yes, we have a pretty good check on it, but when it goes to the appeal board it finally goes back to the director that said he ought to go back there.

Colonel KEESLING. Only if he appeals.

Mr. MAY. After all, you go to the local draft board and say, "It is this or else."

Colonel KEESLING. It is the same general policy that is followed in the case of replacement schedules, where the State director works out the best program he can with the particular industry and representatives of Government procurement agencies, and submits it to the board only as a recommendation, so many released at certain times and so many deferred for certain times.

Mr. MAY. That is like I used to hear statements in trials in the Federal court, where the accused, or some corporation, was telling the man he had to do so and so or else. That meant if he did not he would be discharged. The judge at one time, after he heard that for an hour, bawled the lawyers out and said he did not want that word repeated any more.

Mr. HARNESS. Have you got any figures on hospital cases of the pre-Pearl Harbor fathers?

Colonel KEESLING. You mean after they are inducted?

Mr. HARNESS. Yes.

Colonel KEESLING. No, sir, I do not have that information. We will have to get that from the War Department.

Mr. HARNESS. Are these men holding up?

Colonel KEESLING. I do not know, sir, but I imagine, if they are in the same physical status as others, they would hold up. It is just a question of their physical condition, mental condition, and so forth.

The CHAIRMAN. Colonel, do these local boards actually get to see

the replacement schedules worked out by industry and the State directors?

Colonel KEESLING. I do not know whether it is the general practice or not, sir. I will be very happy to check and see to what extent that has been done. Certainly it has got to be on a cooperative basis with proper coordination between State headquarters and local boards. At the time we were discussing the automatic appeal procedure, you recall I expressed the view that by having the appeal board for the area where the plant was located pass on these cases, the appeal board could work closely with the State director and some of his representatives in working out and checking these replacement schedules, which I think should be done. I would like to check and see to what extent that is being done, because that would control it to some extent and weed out, so to speak, the sheep from the goats, and take the stigma away from those who are properly deferred while inducting the others. I understand that one of the reasons why you put in that provision for the appeal board check-up was to cover just that situation.

The CHAIRMAN. On these replacement schedules, when a person's time is up, is that individual definitely taken by the local board or does the replacement schedule provide for a further deferment for the individual?

Colonel KEESLING. Presumably, if the industry and the plant agree to the replacement schedule, or when the Navy or Army does in the case of their arsenals and shipyards, presumably those men should be released at the time they are supposed to come off. We recently have made arrangements to have the men, if possible, physically examined 30 days before they come off, so we can process them in a hurry.

However, as I said yesterday, we run into the situation where, out in the airplane companies, they came to us when the men were supposed to come off, but the Government procurement officials said, "Gentlemen, you are going to be responsible for fall-down in production. We will certify that if these men are taken out now, even if we said they would be released, replacements have not been obtained for them, and therefore, if you take them out, even though we recognize that deferment should be only a stop-gap remedy, you have got to continue to use the stop-gap and defer them. It is pretty hard to beat their argument until somebody gets down to the source of the trouble and get replacements on stop turn-over."

The CHAIRMAN. Don't you think you will be able to get replacement methods from industry if the Government adopted the program of making IV-F's eligible to the service? In other words, if the War Department threatened to take IV-F's into the Army unless they were engaged in essential industry, I think you would get a large number moving into industry in order to escape being called for military service.

Colonel KEESLING. You have two points involved there that I see right offhand: One, there is that psychological factor involved; two, you have a tremendous number of IV-F's, who, if given an opportunity to get into the services, would jump at it. You have to weigh that against what the War and Navy Departments said, that they only have a certain number of positions in their net strength in which to put the non-general-service personnel, namely, the WAVES and WAC's, and they say the over 38's are also in that group, and also the limited-service men between 18 and 37; therefore, it is a futile

gesture to take in more non-general-service men than are required for military work.

On the other hand, if your question contemplates that in addition to what the Army and Navy are doing, or intend to do, militarily speaking, with the men they are taking in, that is, this 11.3 or 11.4, and we say, "We will authorize you to take in so many more and you hold them ready for this, or that, or other essential civilian war work," to that extent your psychological factor would work, and also those men would be available for this other work.

The CHAIRMAN. Do you think it would be helpful to put them subject to service in the same manner in which conscientious objectors are brought to the camps and put on special work?

Colonel KEESLING. That is probably a distasteful remedy, but it would work, I think, at least to a certain extent. The thing that bothers me on that point is, I think your committee has got to get all of the facts and then say, "Do we have to do something?" If you decide you have to do something, and I'm convinced something has to be done, then you ought not shout down every suggestion that is made, or have the Government agency shout it down, or business or agriculture, but you should ask, "Is there a better substitute than the thing that has been proposed?" There may be no substitute other than a distasteful one. I visualize, if I may take the liberty of drawing an analogy, the fellow that comes and says he has something wrong with his foot, it is smashed, and he has five doctors around and they say, after consultation, "Well, there is no question about it, something has to be done," they agree on that. One doctor analyzes it and says, "We should amputate the foot," but all the other doctors shout it down and say, "No, sir," and the man says, "No, sir, I don't want to have it amputated." Instead of saying, "Well, maybe that is the only thing you can do, maybe there isn't anything but a distasteful remedy," I believe that they ought to analyze it and say, "Well, maybe you have to operate on him, maybe you have to cut a tendon, maybe you have got to pull out a bone." If you decided to do something, anything you would do to that fellow's foot is going to be distasteful to him.

If another doctor proposed amputating both legs without first deciding whether the situation warranted such a drastic remedy, that proposal should be shouted down at least until after proper diagnosis revealed that it was the only remedy and that nothing short of that would work. A proper diagnosis might reveal that although something had to be done, some less drastic remedy would work. Having decided something must be done, it would be disastrous not to do anything at all. On the other hand it would be foolish to remove both legs, when consideration of the facts would reveal an operation on the foot would suffice.

The CHAIRMAN. Do you have any information as to the extent to which IV-F's are employed in essential industry, as to whether or not they are available to the Army for service?

Colonel KEESLING. I do not have exact figures on that, sir, but I will try to get what we do have on it. I will merely make a general observation from what I heard over in the Senate agricultural subcommittee, from what I heard from some of the agencies that are involved in trying to keep men at work in the navy yards, and so forth. They are finding this turn-over feature is the thing which is

raising Ned with the situation, as well as not being able to get people in who have decided that they are fighting the war in peacetime jobs.

Mr. SPARKMAN. Do you call the IV-F's from time to time for reexamination, or does it depend on the disability?

Colonel KEESLING. That is a tremendous problem, sir. We have been engaged in studying that in great detail. We expect to do something further on it shortly, because we find if the standard is lowered to any slight extent—for instance, some time back it was lowered on hernia—then it becomes a question of local board records. The local board would have to go thorough all their IV-F files in checking on it unless a system of records is established in the boards inventorying the IV-F's according to their individual principles and secondary causes for rejection. We are trying to work it out so the local board will have its records in such condition that they will know pretty well what the health condition of each registrant is and know whom they should send up periodically or whom they should send up in case there is a slight change in attitude on the part of those who are examining them or in the standards.

Mr. SPARKMAN. Most of the questions here this morning have related to industrial deferments. I am very much interested, and I think the committee generally is, in the other phase of this thing, and that is the agricultural deferments. People down my way are becoming very much disturbed because they do not know what to count on for this year. This is the time to start a new crop, and there is no need planting a crop unless it is harvested. They are very much in a state of confusion. Do you think the agricultural deferment situation has been pretty well worked out? Is it clear now, or are the boards still confused on it?

Colonel KEESLING. I think the situation is quite clear, sir, and I think as time goes on, of course, there will be questions asked administratively and the situation will be ironed out.

Mr. SPARKMAN. It is planting time and they have got to plan ahead.

Mr. HARNES. Did you hear General Hershey's statement to the Agricultural Committee yesterday?

Mr. SPARKMAN. That is the very thing I was going to ask him next. Of course, here a year or so ago you had a standard requirement of 16 units, and the Senate passed out the Bankhead bill, which is now lying in this committee and we started a little activity on it, and then you decided that administratively you could loosen up a little on the Tydings amendment. I do not know whether it is true or not, but I heard some people say you swung to the other extreme and probably loosened up too much. I don't know whether that is true or not, but now, if I understand it correctly, you have come back to the 16-unit requirement. I don't know who worked out the 16-unit requirement, but I do know on the average small farm operated by a man and his family it is impossible, utterly impossible, for 1 man to produce 16 units, as provided for in the regulations.

Mr. HARNES. General Hershey wants to increase it to 24.

Mr. SPARKMAN. That is all right, you might as well go ahead and increase it to 24, because 1 man cannot produce 16 unless he has got a mechanized farm.

Mr. MAY. I would like to ask the gentleman from Alabama if he thinks the fellow who figured it out knew anything about it.

Mr. SPARKMAN. I don't know if he knew anything about it, but he certainly had no experience with the average small family-operated farm. I make the prediction, if you stick to the 16-unit farm, or make some increase as Mr. Harness mentions, that we are going to be confronted with a terrible situation in this country, and it is going to come right away, because the people cannot plant the crop until they know what to count on. After all, the food is not produced on the big farms in America, it is produced by the small farms, operated by a man and his family, and that is the man you are running off the farm by this requirement.

Mr. HARNESS. I think if they will devote their energies toward getting into industry, into these places like I mentioned to you, these contracting firms that have got a cost-plus-fixed-fee contract where they do not care how many young men they have got on, I think that is where you are going to find the young men. You will disturb the whole economic set-up if you step in, as the gentleman from Alabama points out, to take the men from the farms who produce food for the armed forces. They are disturbed because they do not know what the program is going to be.

Mr. SPARKMAN. I do believe that probably it might be profitable for us sometime to go more thoroughly into this agricultural situation.

Colonel KEESLING. On that point, Mr. Sparkman, General Hershey went into great detail on it yesterday before a subcommittee of the Senate Committee on Agriculture. It is quite a lengthy problem, involving many details. I would like very much to have General Hershey or me come up and explain it to you more at length, because it involves manpower requirements for essential production.

Mr. SPARKMAN. Inasmuch as we have legislation pending before the committee, both the Bankhead bill and H. R. 4000, which is a kindred measure, it seems it might be well to have it before the committee sometime.

Colonel KEESLING. The fact I have not said anything about it, however, is because it requires going into it in some detail and if it meets with your approval, I suggest we postpone that subject until a subsequent hearing.

The CHAIRMAN. I appreciate your coming down before the committee very much, Colonel. From the testimony you have given us, and the information that has been provided by the Navy and various governmental agencies, it is apparent the Manpower Commission is not able to keep men employed in industry. I think probably it might be well for this committee to inquire still further into that phase of the situation, to see what can be done in order to get the IV-F's into essential industry, and the over-age men and women, to replace those who ought to be replaced, so that the men who are needed for the services will be inducted into the services. No doubt this committee will go further into that question in future hearings.

Colonel KEESLING. I think, Mr. Chairman, that the committee should definitely go in and get the facts, and decide what, if anything, should be done, because I visualize if you wait 2 months before doing that, you are just postponing the time when you will have to do that, and if we have to take the fellows out in the munitions, production may suffer. If you do solve the basic problems of turnover, getting

the IV-F's, and so forth, I think we can get the men for the armed forces and at the same time keep production up.

The CHAIRMAN. Thank you very much.

(Whereupon, at 12 noon, the committee adjourned.)

EXHIBIT A

OFFICE OF WAR INFORMATION

The attached report, prepared by the Office of War Information, is designed to meet the various needs of editors, writers, commentators, broadcasters, photographers, and others concerned with presenting the news. It may be reproduced in its entirety, excerpted, condensed or used as background and reference material.

[Advance release: For Tuesday morning papers, March 7, 1944.]

The Office of War Information today reported that latest industrial turn-over figures show that for every 1,000 workers employed:

- Forty-three quit each month,
- Five leave to enter the armed forces,
- Six are discharged,
- Fifty-one are hired, and
- Nine are laid off.

These figures are based on December reports of the Bureau of Labor Statistics of the Department of Labor and the November reports of the War Manpower Commission, the latest information on turn-over available.

December was the first month since the United States entered the war that industry suffered a net loss in its working force. Excluding lay-offs, 54 workers quit, were drafted or were discharged for every 51 hired. Thus, industry suffered a net loss of 3 workers per thousand in December 1943, the first over-all loss since Pearl Harbor. If lay-offs are included, the net loss would be 12 per thousand.

Fewer workers left manufacturing for military service during December than left in any month since the war began. The quit rate was also the lowest of any month in 1943. In contrast, the lay-off rate was the highest reported since July 1942. The rate of new hiring was the lowest reported since 1941.

The quit rate in manufacturing was higher during every month of 1943 than in the corresponding month of 1942. It reached an all-time high in August 1943. The winter decline in quitting between September and December 1943 was 32 percent, somewhat more than the 28.5-percent decline reported during the same period of 1942.

The changing trends in war production have affected labor turnover. Office of War Information found on the basis of information supplied by the War Manpower Commission, Maritime Commission, Department of Labor, and the War Production Drive Headquarters and Office of Labor Production of the War Production Board.

In the "retooling" period of 1942, a large percentage of labor turn-over was due to bidding by employers for the services of skilled workers whose services were as vitally-needed as they were comparatively scarce. This bidding, called "labor piracy" by the War Manpower Commission, became so extensive and so disruptive to production that it led to the original employment stabilization program, first put into effect in Baltimore, Md., and later used throughout the country.

As large new plants were completed and went into operation, it was necessary to recruit working forces to man them. In Baltimore, for example, the Bethlehem-Fairfield shipyard working force grew from 300 to more than 40,000. Near Detroit, the Willow Run plant had a similar growth. All over the country this pattern was followed in varying degrees.

Workers left lesser-paying manufacturing and non-manufacturing jobs to go to the new war plants. Often the desire to serve their country in wartime was the main influence. Even more often higher wages was the lure. This turn-over was usually necessary to achieve the war production needed.

The attraction of workers to such plants created overcrowded communities. Housing construction raced with employment. New reasons for workers quitting

(See list of quit rates for selected areas on last page.)

began to appear on War Manpower Commission reports—lack of housing, homesickness, poor transportation, inability to adapt to factory work, etc.

The growing shortage of manpower made jobs available in most communities and many workers with a desire to move around shifted from one locality to another.

As the manpower situation grew tighter, it became necessary to appeal to women to take war jobs in order that the needed production might be attained. Many of these women brought into the industrial picture new problems—child care, shopping needs, family difficulties—and these were reflected in an increase in quits.

Area War Manpower Commission employment stabilization programs are in effect throughout the country and have been supplemented by more intensive programs in a number of critical labor market areas. In addition to requiring that workers in essential activities obtain a release before they transfer, the programs in many areas have galvanized employer labor and community effort not only to control turn-over but to remove the basic problems which cause workers to quit. While the effect of these programs cannot be disentangled from the entire range of factors affecting turn-over, a number of critical areas report that stimulus provided by the War Manpower Commission programs has contributed materially to cuts in the quit rate. On the West Coast, for example, the quit rate declined by 13 percent between August and October in eight critical areas, while the quit rate for the country as a whole declined only 7 percent.

The necessary production has been achieved in this war with considerably less labor turn-over than was experienced in 1918. This has been due mainly to manpower programs, wage stabilization policies and the fact that many of the workers in the mass production industries are covered by union agreements which contain seniority protection based on length of service, a job right which the worker often is reluctant to relinquish.

Nevertheless, labor turnover remains a serious problem, often impeding war production and actually causing a net reduction in the working force of many war plants which in order to meet their schedules should be increasing their working force. For example:

The Douglas Aircraft Co. plant at El Segundo, Calif., had a net loss of more than 2,000 persons in November and December of 1943. The Federal Shipbuilding & Drydock Co., at Kearney, N. J., is delayed in its production of destroyers and light cruisers for the Navy. It needs 3,000 workers above its present employment of 27,000. It hired 8,100 but lost almost 11,000 in the past 5 months. In another Federal shipbuilding yard at Port Newark, N. J., where the Navy has a critical program of landing craft and destroyer escorts, the company's employment has tapered off from about 19,000 at the end of August 1943, to approximately 17,500 at the end of January 1944—a drop of 8 percent. During this period, more than 10,800 left the yard and hirings, despite promotional campaigns, fell below this figure.

In the Northwest Pacific area there are many Navy contractors who are unable to utilize their facilities fully or to meet Navy requirements. Associated Shipbuilders, Inc., of Seattle, builds minesweepers for the Navy. With an average employment of 8,000, it has lost 6,900 workers in the past 6 months, the Navy Department reports. Only 11 percent of those are military losses. In the same period only 5,130 workers could be hired, so that the company suffered a net loss of 1,800. Winslow Marine Railway & Shipbuilding Co., Winslow, Wash., builds minesweepers. This company, according to the Navy, hired 1,743 but lost 1,600 in a 6-month period during which average employment was 8,500.

Turn-over is most harmful to war production where attempts are being made to increase the working force of a plant. In such cases, every worker who leaves makes it that much harder to increase the working force.

The situation today is undergoing another change. Production shifts are relaxing manpower needs in some communities; increasing them in others. War Manpower Commission reports show that lay-offs are usually accompanied by an increase in quitting.

Provo, Utah, reported the highest turnover rate of the war during October, War Manpower Commission records show, when 93 out of every 100 workers in the community left their jobs. The closing of an ordnance plant as a result of declining needs for small arms ammunition resulted in the lay-off of 76 out of every 100 workers in the area. At the same time the quit rate soared, as 15 percent of the workers in the area quit to take other jobs rather than wait to be laid off.

Batavia, N. Y., where 11 out of every 100 workers in the area were laid off during October, reported that 14 percent of the workers in the area quit. This was the third highest quit rate in the Nation.

In other areas where lay-offs have occurred, War Manpower Commission reports that quits increased, particularly where there were wide spread rumors of further lay-offs.

Latest War Manpower Commission reports show the highest quit rates in the Nation, in addition to those at Provo and Batavia, were at Las Vegas, Nev. (14.5); Pascagoula, Miss. (10.5); Panama City, Fla. (10.7); Portland, Oreg.-Vancouver, Wash. (10.4); Stockton, Calif. (10.5); Connorsville, Ind. (11.6); Lakeland, Fla. (10.2); Abilene, Tex. (12.0); Reno, Nev. (12.3); Boise, Idaho (10.1); Fargo, N. Dak.-Moorhead, Minn. (11.5); and St. Joseph, Mo. (10.6).

In contrast, Kingston, N. Y., reported the lowest quit rate in the Nation with only eight-tenths of 1 percent. Kingston's total turn-over rate of 2.9 percent was second lowest, only Altoona, Pa., with a total turnover rate of 2.7, being lower.

Other areas reporting low quit rates were Lexington, Ky., and Steubenville, Ohio-W. Va., both with 1.7, and Great Falls, Mont., with 2 percent.

Las Vegas has repeatedly been among the areas with the highest turn-over. Reasons given by War Manpower Commission are difficult working conditions in key plants in the area, inadequate living conditions and the tendency of women workers to follow their service husbands when they are transferred from military establishments in the vicinity.

Stockton's quit rate also has been consistently high, due largely to a trend away from local shipyards to agriculture where draft deferments were easier to obtain, War Manpower Commission reports.

Pascagoula had the highest quit rate in the Nation in September and has consistently been among the top five on War Manpower Commission's records. Conditions considered accountable were: Living conditions, competition from other labor markets, wage differentials between industries and plants within the area, working conditions and working hours.

Panama City is another area with consistently high quit rates. Lack of housing and the character of the worker force in the area, drawn mainly from farms and small towns and often unable to adjust to work in large industrial establishments, are blamed by local War Manpower Commission officials.

Despite the fact that introduction of a system of exit interviews at the Portland-Vancouver area resulted in a 25-percent reduction in turn-over, quits in these localities have repeatedly been among the highest in the country.

War Manpower Commission and War Production Board officials say reports from war plants indicate that increased wartime employment has brought into the labor force many types of workers not accustomed to regular hours and work. Some of these, they said, are housewives who take war jobs because of patriotic motives, economic necessity or in order to earn a little extra money. Women often follow their service husbands from locality to locality, taking jobs and then leaving them when their husbands are moved. Women also often have household or after-work duties which make regular employment more difficult than for the normal peacetime worker.

The job opportunities offered by the war also have drawn into the labor force many persons who lack the self-discipline, determination or health of the normal worker, the officials say. Also, some war workers lack the home ties that most normal workers have. In addition, many workers unfamiliar with industrial procedures are hired by labor-short employers for work to which they find it difficult to adjust themselves. These factors, according to War Manpower Commission, result in an increased labor turn-over.

Almost every crowded industrial area to which there has been considerable immigration in the past is now reporting many instances of workers simply "going home." This has been particularly true, War Manpower Commission officials say, on the west coast. In the San Francisco Bay area, out-migration has reached alarming proportions.

This out-migration is considered by War Manpower Commission to be due to a number of factors, principally dissatisfaction with working and living conditions, homesickness, the fact that some workers find that even high war wages do not mean a greatly increased net income and that others, having saved a little, return to their home town to buy "a place of their own."

Surveys of areas where contract cancellations and curtailments had resulted in lay-offs showed that workers often "went home" in such cases or, in the case of women, returned to their household duties.

One shipyard which interviewed all workers who quit found that almost one-half of the women interviewed during one period were quitting after working a month or less, the Maritime Commission reports. About 90 percent left in the first 6 months.

Of 395 women interviewed at the shipyard, 49 quit because the work was harder than they had expected, 45 said they found the weather too hot for outside work (in winter, women quit because of the cold), 35 left to follow their Army or Navy husbands, 32 were leaving town, 23 could get no one to do their housework, 21 were in ill health, 20 asserted they were tired of working, 35 left to care for their children or some other member of the family, 13 got married, 11 announced they were "dissatisfied with working conditions," and 11 left without giving any reason. Other reasons given, each of which accounted for less than 10 women quitting, were pregnancy, dissatisfaction with pay, objections of husband, dislike for fellow workers, work too noisy, work too dirty, lack of transportation, return to school, and acceptance of better job.

The following table shows the turnover rates per 100 employees for manufacturing industries as reported by Bureau of Labor Statistics:

TABLE 1

Class of turn-over and year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
Total separation:												
1943	7.11	7.04	7.69	7.54	6.57	7.07	7.56	8.18	8.16	7.02	6.29	6.39
1942	5.10	4.82	5.36	6.12	6.54	6.46	6.73	7.06	8.10	7.91	7.09	6.37
1939	3.19	2.61	3.18	3.46	3.48	3.31	3.36	3.01	2.79	2.91	2.95	3.40
Quit:												
1943	4.45	4.65	5.30	5.41	4.81	5.20	5.61	6.30	6.29	5.19	4.40	4.28
1942	2.36	2.41	3.02	3.59	3.77	3.85	4.02	4.31	5.19	4.65	4.21	3.71
1939	.85	.64	.82	.76	.68	.73	.70	.82	1.07	.93	.83	.69
Discharge:												
1943	.52	.50	.57	.53	.55	.61	.68	.67	.62	.64	.61	.59
1942	.30	.29	.33	.35	.38	.38	.43	.42	.44	.45	.43	.46
1939	.10	.10	.13	.10	.13	.12	.12	.14	.14	.17	.15	.12
Lay-off:												
1943	.74	.54	.52	.64	.45	.50	.50	.46	.53	.51	.70	.94
1942	1.61	1.39	1.19	1.31	1.43	1.21	1.03	.87	.68	.78	.65	.70
1939	2.24	1.87	2.23	2.60	2.67	2.46	2.54	2.05	1.58	1.81	1.97	2.65
Military:												
1943	1.20	1.23	1.12	.87	.69	.69	.69	.67	.64	.61	.51	.50
1942	.67	.56	.63	.68	.68	.78	.93	1.13	1.48	1.71	1.55	1.29
Miscellaneous (deaths, etc.):												
1943	.14	.12	.12	.09	.07	.07	.08	.08	.08	.07	.07	.07
1942	.16	.17	.19	.19	.28	.24	.30	.33	.31	.32	.25	.21
Accession (new hirings):												
1943	8.28	7.87	8.32	7.43	7.18	8.40	7.83	7.62	7.73	7.17	6.51	5.10
1942	6.87	6.02	6.99	7.12	7.29	8.25	8.28	7.90	9.15	8.69	8.14	6.92
1939	4.09	3.06	3.34	2.93	3.29	3.92	4.16	5.05	6.17	5.89	4.10	2.84

TABLE 2.—War Manpower Commission quit rates for selected key areas, July-November

Labor-market area	Quit rates			Labor-market area	Quit rates		
	July	Sept.	Nov.		July	Sept.	Nov.
Brunswick, Ga.	11.2	8.5	6.1	Los Angeles, Calif.	6.3	7.3	6.2
Columbus, Ga.	10.2	11.8	9.2	San Francisco, Calif.	8.0	9.1	8.5
Birmingham, Ala.	4.6	5.5	4.6	Stockton, Calif.	10.2	14.9	10.5
Hartford, Conn.	3.5	4.4	4.2	Portland, Oreg.-Vancouver, Wash.	9.7	12.0	10.4
Middletown, Conn.	6.3	4.9	4.2	Seattle, Wash.	5.9	7.8	5.7
Bridgeport, Conn.	3.5	5.2	4.2	Tulsa, Okla.	4.2	5.2	4.5
Waterbury, Conn.	3.4	4.3	3.2	Oklahoma City, Okla.	4.9	7.0	5.9
Baltimore, Md.	5.3	6.2	4.9	St. Joseph, Mo.	7.4	11.4	10.6
Elkton, Md.	5.9	3.7	4.7	St. Louis, Mo.	6.2	8.0	5.8
Detroit, Mich.	4.2	5.3	4.4	Kansas City, Mo.	5.3	6.9	5.7
Flint, Mich.	2.1	2.6	2.6	Lexington, Ky.	1.0	1.1	1.7
Cleveland, Ohio.	4.2	6.1	4.6	Louisville, Ky.	5.1	6.4	5.3
Dayton, Ohio.	4.5	5.7	4.8	Pittsburgh, Pa.	2.8	3.4	2.6
Akron, Ohio.	3.9	4.6	3.8	Philadelphia, Pa.	3.3	5.0	3.4
Toledo, Ohio.	2.8	4.1	2.9	Allentown, Pa.	3.6	2.1	1.8
Canton, Ohio.	4.4	4.8	3.5	Wilmington, Del.	3.9	5.1	5.6
Steubenville, Ohio-West Virginia.	2.1	2.1	1.7	Chicago, Ill.	5.6	7.2	5.8
Buffalo, N. Y.	4.3	4.6	4.7	Connersville, Ind.	4.6	6.0	11.6
New York City, N. Y.	3.8	3.9	2.9	Great Falls, Mont.	3.6	4.4	2.0
Batavia, N. Y.	6.3	8.5	14.0	Boston, Mass.	4.2	5.6	4.5
Kingston, N. Y.	2.1	2.4	.8	Provo, Utah	3.9	7.0	15.7
Pascagoula, Miss.	8.1	20.2	10.5	Las Vegas, Nev.	13.5	17.1	14.5
Meridian, Miss.	6.3	8.1	4.2	Amarillo, Tex.	8.3	5.0	7.1
Jacksonville, Fla.	9.5	8.5	7.5	Houston, Tex.	5.0	9.5	6.9
Panama City, Fla.	6.6	11.6	10.7	Denver, Colo.	5.8	7.2	6.8

EXHIBIT B

STATEMENT OF THE SECRETARY OF THE NAVY ON THE NATIONAL WAR SERVICE
BILL S. 666 BEFORE THE SENATE MILITARY AFFAIRS COMMITTEE

THURSDAY, MARCH 2, 1944.

At the outset I would like to say emphatically that, so far as the Navy procurement program is concerned, American labor and American management have performed a miracle. You already know that every major schedule for production for 1943 was met or exceeded. You are familiar with the unprecedented growth of naval power in 1943 whether measured in combatant ships, in aircraft, in auxiliaries or in landing craft. There can be no justifiable indictment of American labor and American management during the past year so far as Navy production is concerned. But we face 1944; and output for 1944 must be even greater than for 1943. In 1944 we will be fighting mightier battles with heavier losses in every quarter of the world. This means more and more men, more and more equipment, more and more supplies, and more and more ships.

That means that we cannot be content with things as they are; that means that we do have a manpower problem. If we are intent on ending the war as quickly as possible and with the smallest loss of life, we cannot be content with conditions as they now exist. If we could put into a simple statement our manpower problem as it now is, it might be comprehended in this single sentence: "If the people, who are not fully employed, would go to work where they are needed, and if everyone would stay on the job, we would have no manpower problem." And that is precisely what a national service law would be expected to accomplish. That is just another way of saying that our manpower problem has, all along, been especially hard to solve because of excessive switching from job to job.

Last year in all industry the outright quits—excluding the men who were drafted or discharged or laid off—averaged 5 percent per month. Five out of every 100 workers simply walked out of their jobs every month. Sixty out of every 100 in a year. Since war-industry employment is now 15,000,000 workers, and the quit rate, based on the 26 largest industries in the country, both civilian and war, is 5 percent a month, it will mean, if it is allowed to continue, more than 9,000,000 job vacancies this year—9,000,000 wasteful interruptions in the war effort while new men are found and trained, transported, and housed.

During 1943 increased work in 9 navy yards required the increase of the working force of those yards by 32,000 persons. But to achieve that increase of 32,000 persons, the 9 yards had to hire a total of 214,000 persons. In other words, to get 1 additional worker, the navy yards had to hire 7 workers. Six of the 7 instead of building up the working force, merely took the place of someone else who had quit. Of the 6 who quit the navy yards, only 1 went into military service; the other 5 simply quit for some personal reason. The net result of this turn-over in the navy yards is that last month the navy yards had 13,000 fewer men than they currently need to handle their enormous load of ship repair, maintenance, and construction. In fact, during the last half of 1943 the navy yards, in spite of their increasing work load, lost more employees than they could hire and ended the year with 5,482 fewer workers than they had had on July 1, 1943.

Now, I want to digress for a moment to mention a point which I will discuss more fully later. One objection to national service is that it supposedly requires some men to work for the profit of others. Navy yards make no profit. They are as much a part of the defense of this Nation as the fleet itself. If a man can be required to fight aboard an aircraft carrier, it should be possible to require a man to stay on the job at the navy yard which maintains and repairs that carrier.

In 1943, the Norfolk Navy Yard alone hired 19,125 persons. It started the year with 42,662. It ended the year with 41,186. In other words, in spite of hiring more than 19,000 people, the Norfolk yard suffered a net loss of almost 1,500 in its employment because of excessive quitting.

The navy yard's difficulties with turn-over, or job swapping, are typical.

Federal Shipbuilding & Dry Dock Co. at Kearney, N. J., is delayed in its production of destroyers and light cruisers for the Navy. It needs 3,000 workers over and above its present employment of 27,000. It hired over 8,100 but lost close to 11,000 in the past 5 months. The Navy cannot obtain the necessary, maximum output of this yard if total employment is reduced 10 percent every 5 months.

In another Federal shipbuilding yard at Port Newark, N. J., where the Navy has a critical program of landing craft and destroyer escorts, the company's employment has tapered off from about 19,000 at the end of August 1943 to approximately 17,500 at the end of January 1944 a drop of 8 percent. During this period

over 10,800 left the yard. Hirings, despite all type of promotional campaigns and cooperation of the War Manpower Commission, fell below this figure, and the company faces a steady decline in its employment.

The plants of three important producers of forged products for ships and aircraft are in the Middle West: The Ohio Crank Shaft Co., Park Drop Forge Co., and the Steel Improvement & Forge Co. Turn-over at each of these plants has been high during the past 6 months. Each of them lost a half of its working force during the last half of 1943, and two of them have been unable to hire enough new workers to replace those who left so that they have fewer employees now than they did in mid 1943.

Another essential supplier of Navy marine machinery should increase its employment of 2,800 by 350. There is no hope of doing so because it is gradually losing more workers than it is able to hire. It lost close to 500 workers in the last 6 months and has been able to hire only about 400. The company is already delayed by 4 weeks in its production schedule.

An electrical plant in the East which is making critically important electronic equipment for the Navy has been running behind on its orders despite the fact that they have been trying for 3 months to recruit 2,100 additional workers, but it has actually lost more employees than it has been able to hire.

Another concern manufacturing batteries for submarines has been losing as many as 20 percent of its workers per month—a 100-percent turn-over every 5 months.

A foundry in Michigan making engine parts for landing craft has been losing workers at the rate of more than 10 percent a month, or at a rate of over 100 percent per year.

In the Boeing Aircraft Corporation for the period from July 1, 1941, to June 30, 1943, 76,500 workers were added to the pay roll—a monthly average of 3,188 for the 24-month period. This was necessary to maintain continuous employment of 30,000.

A statement obtained from the War Department covering the major airplane plants on the west coast shows that they had to hire 155,000 workers from January 1943 to August of 1943 in order to make a net gain of 4,000.

In the Northwest Pacific area there are many Navy contractors who are unable to utilize their facilities fully or to meet Navy requirements. Associated Shipbuilders, Inc., of Seattle, builds minesweepers for the Navy. With an average employment of 8,000, it has lost 6,900 workers in the past 6 months. Only 11 percent of these are military losses. In the same period only 5,130 workers could be hired, so that the company suffered a net loss of 1,800. Winslow Marine Railway & Shipbuilding Co., Winslow, Wash., builds minesweepers. This company hired 1,743 but lost 1,600 in a 6-month period during which average employment was 2,500. Of its separations only 5 percent were military. Altas Foundry & Machine Co., Tacoma, Wash., a Navy subcontractor, hired 180, lost 168, barely maintaining an average employment of 238.

Rear Admiral S. A. Taffinder, United States Navy, commander, Northwest Sea Frontier, and commandant, Thirteenth Naval District, wrote to the Assistant Secretary of the Navy, Mr. Bard, on the 12th of February as follows:

"It would appear that the present failure to actually accomplish a controlled referral of labor to the most vital war plants may seriously affect future emergency war work. Even the stabilization plan in operation over 1 year is lacking in results. Universal service or a controlled referral, sufficient, at least, to move workers from the less essential plants to the higher, such as into navy yard repair work, is recommended and needed, as there appears a surplus of manpower in the State of Washington as a whole, but it is not mobile or willing to migrate."

Last Sunday's papers carried a story on the War Manpower Commission's recruitment efforts. The headline reads: "United States Employment Service turns to ballyhoo for workers." The article records the astounding statement that the War Manpower Commission's 1,500 United States Employment Service offices anticipate that they must place 1,000,000 men and women workers a month in war jobs. It further states that "resistance to moving and taking war jobs is at a 'high level,'" so they are using "catchy, nostalgic tunes" to gather crowds to "sell" recruits. If war employment is about 15½ million and War Manpower Commission has to place 1,000,000 workers per month, it is apparent that we confront a turn-over rate of 80 percent per annum.

It is evident that the present program for selective and controlled employment needs immediate tightening up. We cannot even pretend to be supporting our fighting men who are risking their lives at the front so long as we tolerate either milling around from job to job or reluctance to move to the places needed.

There are many motives for leaving a war job. Here are some of the reasons which men and women have given when they quit war jobs:

- "Dislikes work."
- "Going out of State."
- "Promised raises not received."
- "Too far to travel."
- "Not enough money."
- "Can't get along with foreman."
- "Refuses 4 p. m. shift assignment."
- "Refuses graveyard shift assignment."
- "Has other job."

Of course, none of these reasons is valid in war. What would you think of the machine gunner or tank operator, who wanted to quit his job because a promotion had not come through, or because he couldn't get along with his sergeant, or because he didn't want to work at night, or because he could get higher pay in the Air Corps than in the Tank Corps, or because he thought the war was almost over, or because he was anxious about his job in the future? To ask such questions is to answer them.

In this kind of war there is not one kind of responsibility which applies to a man sent to the battle front and another kind of responsibility which applies to the man who is building submarines or landing craft. They are both citizens of the same country. They both have the same responsibility for their country's security. To be realistic and to recognize this common responsibility of all in time of national peril is not to say that a national service law means regimentation and slave labor. The same could be said with equal truth of a man who is selected by his board and sent to the front. In both cases, reduced to fundamentals, it is self-preservation, and it is the same kind of self-preservation whether a man is engaged in building a ship or in fighting that ship.

It is said by those who oppose this legislation that to draft a man for service in the Army or Navy is a different thing from requiring him to remain in a job which is vital to the war effort. The usual argument is that the man who is drafted into the Army or Navy is working for the Government, while the man who is required to remain on his job in civil life in a war-production industry is working for a private concern which makes a profit from his labor. This is not valid reasoning. In the first place, the man who is required to serve in a war production industry not only gets several times more money than the man who is drafted, but he is also usually able to live with his family and is not required to hazard his life. Furthermore, through the operation of the excess-profits tax and the renegotiation law and the control under war powers which is exercised by the Government over industrial operations, the employer has been in most cases prevented from making excessive profits. The House Naval Affairs Committee, for instance, reports that combatant ships for the Navy produced by privately owned yards between January 1, 1941, and April 30, 1943, yielded an average profit for all of these concerns of approximately 4 percent after taxes. This, I think we all agree, is not excessive.

I emphatically agree that all possible steps should be taken to prevent any profiteering by war industries and to hold down profits to the absolute minimum consistent with the necessity for sufficient working capital to convert promptly from a wartime basis to a peacetime basis. This is necessary in order to insure as steady employment as possible for the workers when the war ends.

Surely it is neither unfair nor un-American to ask a man to stay on a job at good wages to help speed the end of this dreadful war. Surely it is fair and in the democratic American tradition to require of both the manufacturer who makes our weapons, and the worker who is employed by him to serve in a manner which will best promote our victory. I believe that from the outset of the Government in Revolutionary times we have repeatedly exercised this right during war emergencies. Indeed it rests on one of the most fundamental powers of government conferred by the Constitution—the power to take whatever measures are necessary to protect the country and its institutions against enemy attack.

We must not forget that in the declaration of war the Congress of the United States soberly declared that: "To bring the conflict to a successful termination, all the resources of the country are hereby pledged by the Congress of the United States." We all shared that pledge then and I trust we still do.

To say that a national service law is too late, that the job is done, that the emergency is over, that the law is not needed, is not only wrong; it is dangerous. We are fighting two wars; the war against Germany in Europe and the war against the Japanese in the Pacific. As you all know, the two wars will not end simultaneously. When the defeat of Germany approaches and finally occurs, we shall need a national service law more than ever before. Last August and September

when the collapse of Italy raised illusions of an early victory and aggravated the normal summer job swapping, absenteeism and turn-over in industry hit the highest level since the beginning of the war. In the light of this, try to calculate, if you will, what the effects of the defeat of Germany will be on turn-over in industry in the United States. We could have a slump in production that might seriously imperil our fighting in the Pacific. Japan is hoping for just that sort of demoralization. Germany is reported already capitalizing upon it. We cannot take the chance. A national service law would provide insurance against it. The war is far from over.

In a sense, until very recently, everything we had done was only preparatory. We are just approaching the heaviest fighting. Our soldiers and sailors stand on the eve of the first great decisive trial of strength. What an inspiration it would be for them if they could know that every American on the home front was marshalled for maximum support of our fighting forces. Now is the time for the whole Nation to declare itself solidly behind its fighting men—now—not later on when the casualty lists are swelling and people are asking "Have we done everything possible?"

A national service law is such a declaration. It would do more to discourage the Germans and the Japanese than almost any other single thing we could do. And, please remember gentlemen, that out in the Pacific these days you don't dare ask "How's the morale out here?" Instantly they will come back and ask "How's the morale back home?"

Gentlemen, a grave responsibility rests on every citizen to do his utmost. I have stated our most vexing problem—turn-over in industry—as I see it. The solution lies in the hands of the citizens through their representatives in Congress. There is the only place we can find the correct answer.

INVESTIGATIONS OF THE NATIONAL WAR EFFORT

FRIDAY, MARCH 24, 1944

HOUSE OF REPRESENTATIVES,
SPECIAL COMMITTEE OF THE COMMITTEE ON MILITARY AFFAIRS,
Washington, D. C.

The special committee met at 10:30 a. m., pursuant to notice, in room 1310, New House Office Building, Hon. John J. Sparkman (acting chairman), presiding.

Present: Representatives Sparkman, Arends, and Elston.

Also present: H. Ralph Burton, general counsel to the committee.

MR. SPARKMAN. The committee will be in order.

The chairman of the special committee, Mr. Costello, had to appear before the Rules Committee today and he has asked me to preside in his absence. Before we call on Mr. Nelson for his statement, I want to read a statement which Mrs. Luce, a member of this committee, has asked us to insert in the record following the testimony of Colonel Keesling on March 16. I will read the statement at this time:

Mr. Chairman, circumstances prevented my attendance at the hearings on March 16 before the Special Committee on Draft Deferment of the Committee on Military Affairs. I have since read Colonel Keesling's testimony before this committee. In view of what was said by Colonel Keesling and the chairman at that hearing, about the possibility of adopting some program of making IV-F's eligible for service, or otherwise using them as replacements in industry, and in view also of what was that day brought out concerning the possible need of legislation to stop turn-over in industry, if I had been present I would have asked questions concerning my bills H. R. 3556 and 4329. I am particularly anxious that this brief statement be inserted at this point on the record, following Colonel Keesling's testimony, and preceding that of Mr. Donald Nelson, in order that Mr. Nelson may be informed of the solutions which my bills propose for the war-production problem.

My last bill, H. R. 4329, proposes to do the following:

1. To induct into the armed forces 50,000 to 200,000 IV-F's, and men over 37, and dischargees, for war work.
2. To leave men in these categories who are already engaged in the war effort unaffected, unless they leave their jobs without first getting a determination from their Selective Service local boards that it is in the national interest to do so (as provided in the Tydings amendment), in which cases they would be subject to induction.
3. To provide that men taken into the corps could, under certain conditions, be put in enlisted reserves so that they could then engage in war work and receive the going prevailing rates of pay in private industry.
4. To detail those remaining in the corps to emergency war work only after labor and management both certified that they could not get sufficient manpower.

Such a program, which would not put corps members in competition with civilian workers, should be acceptable to labor. It would help to solve the manpower problem in war production by curtailing turn-over among male employees, providing a revolving pool of additional full-time, fully paid workers for private industry, as well as keeping a corps available for emergency and seasonal war work. By offering a method of replacement, it would also permit the withdrawal by the armed services of many occupationally deferred young

men, without harming war production. And by providing a corps of seasonal workers it would free the armed forces from having to disrupt their military program by being required to furnish regular military men for seasonal war work in emergencies, as they have had to do in past seasonal emergencies.

Although this could be done administratively today without additional legislation, I believe that it might be preferable to have the full sanction of Congress, which would indicate Congress' backing of the procedure, and its clear recognition that the number taken into the corps would not be included in the present or future desired strength of the armed forces for purely military purposes, but would be in addition to that strength.

In the event that Congress and the armed forces believe it better to have the corps an auxiliary to the armed forces, rather than a part of them, and to limit the benefits received by corps members in some respects, then my first bill, H. R. 3556, would be applicable, or my second bill could be amended accordingly.

The facts concerning deferment, replacements, and turn-over were brought out most clearly and emphatically before this committee by Colonel Keesling. And from what the chairman said in that hearing, as reported on pages 14 and 15, I gather that the chairman believes that the Congress must take some affirmative action, and that this committee must perfect and bring out some legislation along the lines indicated above.

At this time we will hear from Mr. Donald Nelson. Will you come around, Mr. Nelson?

STATEMENT OF DONALD M. NELSON, CHAIRMAN, WAR PRODUCTION BOARD

Mr. NELSON. Good morning, Mr. Chairman.

Mr. SPARKMAN. We are glad to have you with us, sir.

Mr. Nelson, according to the figures Colonel Keesling presented at the last hearing, including the O. W. I. figures, and a copy of Secretary Knox's statement, it would appear quite definitely that there is no question that the turn-over problem has been from other causes than selective-service withdrawals, and that problem has not yet been solved.

It would also appear, according to that testimony, that replacements have not been obtained for vast numbers of men who are not occupationally deferred, and that those men are going to be withdrawn, particularly the younger men, in accordance with the President's memorandum, and war production will suffer unless something is done immediately to get replacements, cut down the turn-over, and remedy the other manpower ailments, such as hoarding of labor, and so forth.

Do you agree that there is at the present time no effective control over the 4-F's, the 38-to-45-year-old group, and groups that are not liable for selective service?

Mr. NELSON. Yes, sir; I do, Mr. Chairman. I think that is highly desirable, that there be some method worked out whereby all those men can make their contribution to war production and to winning the war, just as the men who are more fortunate physically and get into the armed services make their contribution in winning the war.

Without the material that is so essential to our armed forces, they cannot do their full job. Our job is to try to supply them with material that they need in order to bring victory just as soon as possible, and I have felt, sir, that there is an obligation on those men who are not physically fit to get into the services, but who are physically fit to do these kinds of jobs which have to be done—I think, as I said, there is an obligation on their part to get into the absolutely

essential industries, to pull on the oar, just the same as their more physically fit brothers are doing in the fighting forces.

Mr. SPARKMAN. Specifically, is it not true that there are many such persons who have never engaged in work contributing to the war effort?

Mr. NELSON. Yes, sir; although that is—I am sure that is true, although I do not know just what the figures are, sir.

Mr. SPARKMAN. You just know it from the practical standpoint?

Mr. NELSON. That is right.

Mr. SPARKMAN. Is it not also true that there is no effective control to prevent the shifting of men who are now in war work to other war work or to work that may not be directly connected with the war effort?

Mr. NELSON. Well, there are controls, sir, that have been set up by the War Manpower Commission. Of course, I have been worried in spite of these controls. The rate of turn-over continues very high in some of these more important industries. That is a very natural thing to happen, because some jobs are more attractive than others, have lighter work, are better paid, and they move out of the jobs that are not as attractive.

Right at the present time there are manpower shortages in the foundries, the gray-iron foundries, the malleable foundries, and foundries making steel castings. They are highly important to us, because of the greatly increased truck program. The services abroad and our allies need more heavy trucks; the farm machinery people need far more farm machinery. We consider farm machinery as a very vital business. That production is going forward right along with the production of matériel for war, because food is highly important, as you know.

We have also had great difficulty getting enough men in ball-bearing plants. For some reason they have preferred to work in other plants.

Now, there is a mechanism by which that can be done. The question is how to make it as effective as we possibly can.

Mr. SPARKMAN. You do think that something must be done immediately in order to get replacements for the men, particularly those under 26, that the armed forces are going to take?

Mr. NELSON. I think, sir, we have a problem there that is particularly important. The producers have outlined their situation to us, and unless replacements can be made rapidly in the forging shops and foundries, and some other vital companies making vital components, war production will suffer.

Mr. SPARKMAN. Do you think it will be necessary, in order to permit the withdrawal of such men, and others who are occupationally deferred, that some control must be had over these 4-F's and others, so as to stop the wastage of manpower and turn-over, to be able to obtain additional personnel?

Mr. NELSON. Mr. Chairman, I, of course, am not an expert on what is needed, because manpower is not directly my job; but I should say, sir, that your efforts to work out some kind of a solution to this problem are very noteworthy. I am glad to see you working on it.

Mr. SPARKMAN. But you do feel that something needs to be done.

Mr. NELSON. I do, sir.

Mr. SPARKMAN. Without being specific as to what that something is?

Mr. NELSON. That is right. I cannot be specific at the moment, but I do think something should be done in the area in which you are working, which, as you know, I think is highly important.

Mr. SPARKMAN. A proposal has been submitted somewhat along these lines:

The armed forces would announce that they would induct into the armed forces for work in war production a given number of 4-F's and men over 38.

Second, the announcement would clearly state that all those in 4-F and men over 38, who are already in war work, which, of course, would have to be defined, would be ineligible for such induction so long as they remained in war work; they would not be permitted to change positions without clearance; that is, without first obtaining authority from their local selective-service boards that it was more in the interest of the war effort.

Third, all men inducted in this way would be given an opportunity to arrange to obtain satisfactory positions in war production, would be released to the enlisted reserve for such positions, and would get the going rate of pay in the industry in which they would be employed. They would be used under the jurisdiction of the armed services for war work of the same nature the Army was called upon to perform in 1942 and 1943 with general-service personnel.

Do you agree with these in general, as a solution?

Mr. NELSON. Well, in general, sir, I think that is a very interesting solution. I have not had time to think it through in all of its implications, but it certainly would solve one problem that worries me at the present time, and that is just this:

Now, prior to the great need of the services for these men under 26, there were classifications in the selective service, 1-A, 1-B, 2-A, 2-B, and on down to 4-F. Now, with all men under 38 going through the induction centers, they either become 1-A or 4-F, and there are no classifications there which define the essentiality of the men to war industry. I think it is quite natural that a man goes through an induction center—he may have been in a very important job, or considered that job important, he goes in and finds he is not physically fit, and he finds himself in 4-F—he feels his conscience at the present time is perfectly clear and he moves on into other things.

I feel that some selection at that point, and direction of these men into the things which we have to have, which are vitally needed today, should be had. While, in general, war production, as you know, is very, very good, we will always have bottlenecks of one kind or another because of changing needs and demands of the armed forces and our allies.

Let me take your time for a moment to show what the heavy-truck program involves. Of course, it involves the work of assembling those trucks, the work on components, such as castings, ball bearings, gears, and so forth, and then it puts a heavier demand on facilities for making tires. We are cut off from natural rubber and we have to depend upon synthetic rubber. Now, we know definitely today from the tests of the armed forces that rayon is needed, high-tenacity rayon, in order to build those tires. Well, we have to expand our tire-making facilities, because they are bigger tires and require hard, heavy work to make them. We have to make a great deal more rayon and synthetic rubber, and, of course, all of those things down the line

have to be expanded, in order to meet the schedules of a heavy-truck program. They become vitally important, and they have to be done quickly.

Now, manpower is a very important factor, of course, in solving every one of the bottlenecks that we run into. One of those bottlenecks is to secure the men we can depend upon to pitch in and do that work. If those men could be brought in, it would, I think, be very useful; but, as I say, I have not had time to think through all of its implications on the economy of the war, the armed forces, the administrative agencies, and all the rest, which are quite important to be worked out before the proposed bill could be put into effect.

Mr. SPARKMAN. This may not be completely in line, but while you were talking the thought occurred to me that we should cover the 4-F's and the men from 38 to 45. I wonder what treatment should be given to those who have actually been taken into the armed services, but perhaps after some service have been found to be physically unfit for war service. Would it be your idea that perhaps they would be covered in about the same way?

Mr. NELSON. Well, I think that with most of those men it is just a question, probably, what is needed. After they have been on the fighting fronts, it has been my experience, as those men come back they want to get into some type of work where they can help their buddies just as much as possible. Therefore, the main difficulty will not be with those men. I think those men just need to be told what they are to do in order to help carry on this war.

I am glad to see General Hines make the provision for training and direction of those men as they come out of the fronts, the wounded, the men who are not able to carry on with the heavy work that is required at the fighting fronts. I think that all we need is a little leadership of those men in order to tell them what is essential. I think you will find those men doing their part of the job.

Mr. SPARKMAN. Mr. Nelson, I would be interested in your comment on this particular phase of this proposal that we have been discussing and, of course, this is a limited service proposal—

Mr. NELSON. I understand that.

Mr. SPARKMAN. Do you think that would be preferable to the general over-all service proposal?

Mr. NELSON. I do, sir.

Mr. SPARKMAN. As contained in the Austin-Wadsworth bill?

Mr. NELSON. I think so, sir. I at one time, early in this game, I was very strongly in favor of selective service, after Pearl Harbor—

Mr. SPARKMAN. You mean national service.

Mr. NELSON. National service. I think, however, the time is past when you can get the administrative details operating in that bill, in order to help us. I think, if we go into this narrow field, and work out through the narrower field, it will solve our problem. If it does not, why, then, of course, all you need to do is to step up further and further into the age limits. I think the fact that you work out this thing in a narrower field will go a long way toward stopping the turn-over and some of these problems.

One feature of this bill that appeals to me is that you have established a classification. Now, by establishing a classification you cause a man to think in terms of where he can be most effective, rather than as we do now, simply turn them loose. He feels perfectly free to go

into anything he wants to, whether it is a war job or a peacetime job, so that the mere fact of classification, and the setting up of a corps of this kind, would have effectiveness far beyond the inclusion of 250,000 men in a corps. In other words, perhaps a million men who are now in the 4-F category would seek more important jobs as a result of the building of a corps of this kind.

Now, that may be hasty thinking, but it is the first thinking I have had on this bill.

Mr. SPARKMAN. Would you care to comment on whether or not it should be an auxiliary of the armed services or should be a purely civilian organization?

Mr. NELSON. That, sir, I would not be able to answer at this moment.

Mr. SPARKMAN. Of course, there are a great many details that would have to be worked out.

Mr. NELSON. That is right. That is what I meant by thinking it through into all these administrative agencies, as to how it could best be made more effective, but I do think, sir, that the Congress is our board of directors in this whole war effort, and I believe it is the responsibility of Congress to help us solve some of these problems.

Mr. SPARKMAN. Mr. Nelson, I was very much interested in some of the radio reports that I heard last evening with reference to certain conferences that were being held in trying to work out this same thing with reference to the younger men who have been deferred both in Government and in industry—

Mr. NELSON (interposing). That is right.

Mr. SPARKMAN. As a matter of fact, you are straining every point that you possibly can afford, in order to help solve this manpower problem for the armed services, is that true?

Mr. NELSON. We are. We feel this way—that there is a small percentage of those men who are vitally important in order to carry on some of our more important programs. We need certain men, highly skilled men, for things like radio and radar, synthetic rubber, landing craft, to mention just a few.

Now, it is highly important, and in this there is no difference of opinion between the armed forces and ourselves. They also recognize that it will be difficult to find substitutes quickly for those men who are vitally needed, and whose leaving would leave a gap much greater than we might anticipate. There are many of those young fellows, trained engineers, who left school just about the start of this program, and they went into the newer industries, industries which had a great allure to them, like radio, radar, synthetic rubber, 100-octane gas, chemical industries. It may interest you to know that in solving this war program we have had to expand over a thousand plants to make chemicals of all kinds that were vitally needed.

Now, those young chemists are important. They do the development work, they have had the experience, they have had the training, and I feel that it is vitally important that many of them stay in their jobs. I think that is a more courageous thing for a young man who is really necessary in critical war production to stay in his civilian job, than it is to get into the armed forces. I think it is up to us to point out to him his duty to stay in that particular job until somebody can come along who will replace him, and that is certainly true in all of these tire programs, the synthetic rubber, the 100-octane gasoline

that we need badly in order to supply the fighting planes that are flying over Germany at the present time.

Now, our job is to pick those men, pick them out, point them out, and there is no difference of opinion today between any of us as to what ought to be done. As in many of those things that have to be done hurriedly, there may be some difference of opinion as to method.

Mr. ARENDS. Mr. Nelson, I was interested in what you said about the importance of the food program and the fact that it may be a little bit hard to get the necessary machinery to carry on the program for this year.

Now, the point I make is this: If we take the 4-F's, the boys 26 years and under, I am just wondering what the effect will be in getting additional food or what effect it will have on the production program. I realize that a lot of farm boys below 26 could not possibly get into the services; but it would handicap the production program if they were taken and no replacements granted.

Mr. NELSON. I was thinking of farm equipment rather than the man on the farm. I don't know much about the particular problem you raise.

Mr. ARENDS. The more machinery you have the less labor you have need for; they can get along with less help if they have more machinery.

Mr. NELSON. We are putting every bit of effort we can into that job; making as much machinery as we can.

Mr. ARENDS. If we could work out a 4-F program to replace some of those young men on the farm, I think it could be worked out.

Mr. ELSTON. In that connection, I have had many letters from farm people complaining that the 4-F's who ordinarily might be expected to help on farms were not sticking to the farms but were taking such civilian work as they wanted to get, and it was producing a rather acute labor shortage in the farm industries.

Mr. ARENDS. How are you going to get the 4-F's down on the farm?

Mr. NELSON. I think in many cases you will find many of these men want to do that. I don't believe it is a question of their having to be forced necessarily. I think the mere fact of having the problem pointed out to them by legislation or otherwise, showing that there can be some mechanism by which they can be classified into the job that they ought to be doing in order to perform the best kind of service to win the war, whether it is production of food, or whether it is production of equipment for the farm, or whether it is production of importance in the war program, or the production of aircraft, and all the thousand and one things that are needed in modern warfare, I think the very fact you establish some method of classification for these men, and give them some leadership, telling them what they should be doing, why their services are needed, you will get them to enter these necessary activities. I have always believed that the American people, when you put a problem squarely up to them, tell them why a thing is needed and that everybody is going to share alike, they will do anything you ask them to do. I have never lost my faith that the American people will do anything we ask of them, provided we point out clearly to them, so that they can understand what the problem is and what the solution is and the fact that everybody is going to share alike.

Mr. ELSTON. Mr. Nelson, I take it that your contention is that that is the responsibility of the War Manpower Commission.

Mr. NELSON. Yes, sir; that is the responsibility of the War Manpower Commission.

Mr. ELLSTON. Do you feel that industry has done its full job setting up replacement programs so that they can prepare men to take the places of those who must necessarily leave to go into the armed services?

Mr. NELSON. Well, I think they have tried to do that, but in many cases they have not been done as well as the job should be done. Of course, as the need for manpower on the fighting fronts gets greater and greater, your situation changes, your replacement schedules that might have been perfectly good a year ago are worthless today because they do not take into account the great need of the armed forces for those men under 26, so that these replacement schedules have to be constantly reviewed in the light of new facts regarding manpower.

Mr. ELSTON. Do you think that any union restrictions in plants have kept men out of those plants?

Mr. NELSON. Oh, there are some. They are relatively few. I will say this, when we have been able to get the facts on union restrictions in any plant, we have been able to go to the union, under the principle of pointing out to them the things that are needed to be done, and we have, in a very large majority of cases, been able to remove the union restrictions. There are some of those. There are some restrictions—I think one of our big problems, but it is getting better all the time—don't forget we are still new at this job of war production, of getting greater efficiency and more output from the worker; but certainly, wherever there are union restrictions, we prevent that when they come to our notice, we find a way to correct them by working directly with the unions involved. The efficiency is increasing, sir. We are doing more and more work all the time with fewer people. The records show that clearly. We can introduce some figures into the record, if you would like, showing the increase in efficiency in aircraft plants, rayon plants, and other plants. We may get better all the time as our knowledge of how to do it grows.

Mr. ELSTON. Have you found any cases of labor hoarding? I am referring particularly now to plants that have been engaged in war work, but their work has become more or less slack because they are catching up on the program in their particular field, but they anticipate they might have more work later and are reluctant to let their men go.

Mr. NELSON. That was a very great problem about a year ago. I think that it is being solved. We have increased the production, particularly in aircraft.

Now, it is a perfectly natural thing. We had hoarding of materials. One of the things that caused a very bad material shortage 18 months ago was the hoarding of it. People ordered more than they needed because they knew it was scarce. That is so; that was the fact. We believe that we have worked—the Manpower Commission, the procurement services, and ourselves, the War Production Board—have worked out methods now that uncover labor hoarding and eliminate it.

I do not know whether you are familiar with the production urgency committees we set up on the Pacific coast, in which we pointed out the relative urgency of production in these plants, and the War Manpower Commission set a ceiling on employment which enabled us gradually to squeeze out the excess labor.

I would not be factual if I told you there was no hoarding today; but I will say this, that there is a lot less—a great deal less than there was a year ago, and that that particular problem is being very effectively solved. The problem of getting men to replace those men who left; the problem of turn-over, quits, people who quit the job because they don't like it for some reason or they get the feeling that the war is over and they want to get back to a job that has greater prospects of lasting during peacetime; these, I think, are much more important problems today than labor hoarding.

Mr. ELSTON. Does not the War Manpower Commission now have the authority to prevent the shifting of men and women from one plant to another?

Mr. NELSON. They have a control, sir, in their certificate of availability. I cannot say from personal experience just why that does not prevent it. It does not prevent turn-over. There are a lot of reasons, of course, why people do leave their jobs, and a lot of legitimate reasons why people leave their jobs. People get sick, or they cannot stand the hard work, or they have sickness in their families at home. There are a lot of reasons, but when you go in and look at this whole turn-over problem, you will find a lot of reasons why it occurs. Many plants are solving it in conjunction with the War Manpower Commission by having more careful interviews when a person leaves, and by doing that eliminate a great many of the unfavorable conditions. I talked with a group of industrialists the other day around the table and put this problem up to them. They pointed out that where they had put in effective interviewing before leaving they had cut down turn-overs about one third. Of course, another thing, sir, I must say in all fairness; managements vary in ability and skill, and you will find sometimes this labor turn-over is due to things that are in the control of management, and better management will cut down that labor turn-over. You will find a great many plants today with very good management that have a very low turn-over.

Mr. ELSTON. Mr. Nelson, you, of course, realize it would be a problem if you were to take too many men out of some industry that might possibly be labeled a nonessential industry, because it might close the industry; and while it may not be needed now, it would be very essential when the war is over from the standpoint of furnishing reemployment. What do you say about that?

Mr. NELSON. Of course, no industry is nonessential. We do not class them as nonessential. We say they are less essential.

Now, in a war economy like that we are now in, it is absolutely necessary in order to win the war just as quickly as possible for the whole Nation to throw itself into that job and make sacrifices. We have, in this war effort, had to sacrifice a great many less essential industries because the material they consumed was needed for more important jobs; and while I certainly think that we ought to do everything we can to aid the return to peace when this thing is over. To me, the big important job, the all-consuming job, is to get it over

with just as quickly as we can. I do not believe we can let a consideration such as the one you have described, sir, be the paramount consideration. That should be weighed, given consideration, but everything has to be weighed in this economy in the light of what will produce the shortest possible victory, and there may be some less essential industries, sir, that may have to go. I deplore it; certainly, I am not one who likes to see us have to do anything of that kind; but if it is essential, sir, to winning this war, then it must be done—essential to winning the war, I will say, in the shortest possible time, then it must be done—there is no alternative.

Mr. ARENDS. Do you feel, Mr. Nelson, that we are employing the maximum hourly workweek now?

Mr. NELSON. We went into that very carefully with the War Manpower Commission and wherever increase in hours will get us more production, we have no difficulty in getting the War Manpower Commission to establish the 48-hour week. We are doing that now in the textile industry, as you know. We put it in steel. We watch the hours of work very carefully. Some industries are working three shifts now; others can get out more production because of peculiar circumstances from having two 10-hour shifts instead of three 8-hour shifts. Where that can be done, it is done.

Mr. SPARKMAN. Mr. Nelson, in connection with that, back in the early part of December a special committee from this committee was out in the airplane industry center of Los Angeles—

Mr. NELSON. Yes.

Mr. SPARKMAN. We met with the Aviation Production Council—

Mr. NELSON. That is right. The west coast council. There are two of them, one on the west coast and one on the east coast.

Mr. SPARKMAN. We had a luncheon meeting with them out there and went through a couple of plants, and I was very much interested in a statement made by one of those plant managers with reference to the number of hours worked a week. He said that they had found it helpful to shift back to a shorter week, and that they got more work out of their people, and they cut down absenteeism—

Mr. NELSON. That is right.

Mr. SPARKMAN. And cut down turn-over.

Mr. NELSON. That is true.

Mr. SPARKMAN. I believe he said they found it profitable to shift from a 6-day week back to a 5-day week.

Mr. NELSON. That has been true in some cases. It depends on the locality. Now, after all—

Mr. SPARKMAN. Would it depend also very largely on the percentage of women workers?

Mr. NELSON. Yes, sir; it does. The community facilities—because, after all, life must go on, and while we have got to win the war, these people have to eat, they have to have laundry, they have to keep their houses, and in some cases both men and women are working, and it is essential that they be able to provide themselves and their families with the necessities of life. Shopping hours are a factor. There is a great deal of work that has been done in this direction. Increases in community facilities, changing shopping hours and community features over the country are doing a good job, I think, in attempting to solve this absenteeism problem where it comes from reasons that are correctible.

Mr. SPARKMAN. The length of the workweek then would very largely depend upon the type of industry, the location, and the availability of labor?

Mr. NELSON. Depends upon the availability of labor and also depends upon the availability of community facilities.

Mr. SPARKMAN. Mr. Nelson, I notice in the report of the conference of yesterday—I believe the day before we were told that there probably would be an agreement that the number deferred would be 40,000, and the report yesterday afternoon said 24,000.

Mr. NELSON. We have not any figures; there is no exact figure on that. What we are trying to do is to find out what the actual number is.

Mr. SPARKMAN. I was going to ask how you arrived at that figure.

Mr. NELSON. Pure guess. We arrived at the figure quickly by checking with those in our organization who are close to the immediate production problems of the most critical war industries. We wanted to arrive at a minimum figure because there is no question of the need of the armed services for these younger men. General Marshall says he needs these men to carry out his strategic plan. We must do everything we can to give him all aid and support because his is the responsibility of carrying out the strategic plan upon which the life and safety of many thousands of men depend. It is therefore up to us to try to limit that number to the least possible number that can carry on the war production, and that is the problem we are working on now; how many that will be I do not know. We know we shall have to defer some younger workers. We have these preliminary figures for war production plants.

Mr. SPARKMAN. You think it is somewhere in that neighborhood?

Mr. NELSON. I would say it was somewhere in that neighborhood.

Mr. SPARKMAN. But it was an estimate.

Mr. NELSON. That is right, a pure estimate.

Mr. SPARKMAN. That applies only to young men under 26?

Mr. NELSON. That is right.

Mr. SPARKMAN. And without regard as to whether they are married or have dependents or anything else. In other words, it is a class of job and an age proposition, is it not?

Mr. NELSON. It is, sir; we cannot change the needs of the armed forces for young men to carry on the aggressive fighting.

Mr. SPARKMAN. Now, assuming for the sake of argument that that 40,000 figure is correct; am I correct in my understanding that that is not an absolute—that is, that these young men will not get an absolute exemption or a permanent deferment, they are still on the replacement basis?

Mr. NELSON. That is right. If they can be replaced by older men or if they can be replaced by women who can do the particular job—

Mr. SPARKMAN. Well, the replacements are being obtained.

Mr. NELSON. The replacements are being obtained and we are combing over the whole country to find out whether or not we can get replacements for them.

Now, there are many of those young chemists, however, who I think are going to be very difficult to replace, young scientists, young engineers, who are vitally needed in some of the newer industries.

Mr. SPARKMAN. Now, again, would this figure, still assuming it to be 40,000, include Government workers as well as industrial workers?

Mr. NELSON. No, sir; we have not been connected with Government workers; that is entirely different.

Mr. SPARKMAN. So the 40,000, or whatever the figure is, would be purely industrial?

Mr. NELSON. Purely industrial.

Mr. ELSTON. Including farmers?

Mr. NELSON. No, sir; that does not include farmers.

Mr. SPARKMAN. That is all I have to ask. Do you have any questions, Mr. Burton?

Mr. BURTON. No questions.

Mr. SPARKMAN. Any further questions by any members of the committee?

No further questions.

Mr. Nelson, we certainly appreciate your coming, sir. We think you have given us some very valuable help.

Mr. NELSON. Thank you, Mr. Chairman. If there are any other facts we can give you, we are delighted to do it at any time.

Mr. SPARKMAN. The committee will stand adjourned.

(Whereupon, at 11:30 a. m., the special committee adjourned sine die.)

INVESTIGATIONS OF THE NATIONAL WAR EFFORT.

MONDAY, MARCH 27, 1944

HOUSE OF REPRESENTATIVES,
SPECIAL COMMITTEE OF THE COMMITTEE ON MILITARY AFFAIRS,
Washington, D. C.

The special committee met at 10:30 a. m., pursuant to notice, in room 1310, New House Office Building, Hon. John M. Costello (chairman) presiding.

Present: Representatives Costello (chairman), Philbin, Sparkman, Harness, Arends, and Elston.

Also present: H. Ralph Burton, general counsel to the committee.

The CHAIRMAN. The committee will be in order. I wonder if Mr. Dodd will please come forward.

Mr. COWEN. Mr. Dodd is out of town, but I will represent the War Food Administration.

The CHAIRMAN. Will you please state your name and official title?

STATEMENT OF WILSON COWEN, ASSISTANT ADMINISTRATOR, WAR FOOD ADMINISTRATION, ACCOMPANIED BY W. G. FINN, ASSISTANT CHIEF, AGRICULTURAL ADJUSTMENT AGENCY

Mr. COWEN. Assistant Administrator, War Food Administration.

The CHAIRMAN. That handles also the activities of the A. A. A., does it not?

Mr. COWEN. Yes, sir; A. A. A. is one of the agencies under the general supervision of the War Food Administration.

The CHAIRMAN. I believe Mr. Harness has a statement he would like to make and then has some questions he wants to ask.

Mr. COWEN. Mr. Chairman, Mr. Dodd is out of town today, but from the A. A. A. I have with me Mr. Finn, who is Mr. Dodd's assistant, to answer any particular questions on A. A. A.; I am going to ask Mr. Finn to come forward.

The CHAIRMAN. It might be well for you, Mr. Finn, to come up also and give your name to the reporter.

Mr. FINN. I am W. G. Finn, Assistant Chief, A. A. A.

Mr. HARNESS. Mr. Chairman, the purpose, of course, of this hearing was to investigate the complaint that has come from farmers, from many of the Midwestern States, such as Michigan, Iowa, Illinois, Indiana, and Ohio, that selective-service boards, in conjunction with the A. A. A. and county committees, were forcing the farmers to join the A. A. A., sign up for the A. A. A. program, in order to obtain draft deferments, or to get any kind of rationed commodities or articles of farm machinery, or nonhighway gasoline. For the purpose of the record, I want to offer a notice that was sent by the local draft board

of Grant County, at Marion, Ind., to what I am informed to be about 600 farmers, and I will read that letter, so that you gentlemen will have knowledge of what it says. This letter I am reading was sent to Mr. Samuel Blynn, of Grant County, Ind., addressed to Rural Route 6, Marion, Ind. [reading]:

DEAR SIR: You are hereby directed to report to the United States Department of Agriculture War Board at the office of the Agricultural Adjustment Agency in Marion, Ind., within 5 days—

and the next line is emphasized, because it is capitalized and under-scored—

after you have signed up at your township Agricultural Adjustment Agency meeting and obtain a certified copy of your 1944 production.

Bring this certified copy to this office.

It is very important that you obtain this certificate as directed, since in its absence you may be placed in class 1-A and held for military service.

And that is signed by the Grant County Local Board No. 2, 228 Post Office Building, Marion, Ind.

I have a postal card sent me by a gentleman named William D. Billmann, of Mission, Tex. The card purports to be one sent out by members of the A. A. A. committee in Edinburg, Tex. It says:

DEAR SIR: Your community committeemen request that you meet them at the following place and time to sign your 1944 farm plan sheet—and then it lists the place and the days, the 21st, 22d, 23d, and 24th of March.

Please give your committeemen your full cooperation as your 1944 Agricultural Adjustment Agency benefits will be affected. This is also important in obtaining deferments, gasoline, and farm machinery.

Yours very truly,

C. A. HELBURN.
E. E. LANGORN.

I have another postal card here that was sent out by John F. Ehman, chairman, Hamilton County, A. C. A., reading as follows:

DEAR FARMER: Your Government is calling on you to produce the most necessary crops in 1944. You can pledge your allegiance to your country by going to the basement of the Agricultural Adjustment Agency office, Tuesday, March 14, between the hours of 8:30 a. m. and 5 p. m. to complete your 1944 farm plan. Remember the Axis is watching whether we farmers are working in unity to produce the foods that will win the war. A recent ruling provides that future nonhighway gasoline allotments will be based on your completing this farm plan.

P. S. These farm plans cannot be completed in the county office due to shortage of help.

Please attend this meeting.

And that is signed by—

JOHN F. EHMAN,
Chairman, Hamilton County Agricultural Adjustment Agency.

I have a couple of affidavits here from farmers, that I want to submit for the record, an affidavit of William F. Zimmerman, of Auglaize County, Ohio, and an affidavit of Joseph T. Miller of the same county. The affidavit of Mr. Zimmerman is as follows:

State of Ohio, Auglaize County, ss:

Before me, a notary public in and for said county, personally appeared William F. Zimmerman, who, being duly sworn, says that he owns a 60-acre farm in Salem Township, Auglaize County, Ohio, and that he cultivates about 180 acres in said township.

This affiant further says that, on February 28, 1944, he was approached by Russell Hesse, a member of the Agricultural Adjustment Agency committee of Salem Township, Auglaize County, Ohio, in regard to executing and signing the Agricultural Adjustment Agency application for an allotment of gasoline farm use.

This affiant further says that he refused to sign such application and that, upon such refusal, the said Russell Hesse informed him that he would be allowed no gasoline for farm use for the year 1944.

This affiant further says that, because of the above-stated facts, he did sign an Agricultural Adjustment Agency application for an allotment of gasoline for farm use, on or about March 10, 1944. This act being done under protest.

And further affiant saith not.

The affidavit is signed by William K. Zimmerman and sworn to before Dan McKeever, notary public of Auglaize County, Ohio.

The other affidavit is substantially in the same form.

I want to submit a letter here from Mr. William Janvrin of Lakota, Iowa, which reads as follows:

LAKOTA, IOWA, March 22, 1944.

And it is addressed to me.

DEAR SIR: Understand you are investigating some of the activities of the Agricultural Adjustment Agency. Enclose please find a letter where I was forced to sign and join the Agricultural Adjustment Agency or go without the machinery in which to farm with. I needed this combine, as I had no other way in which to harvest my crops. I always joined the Agricultural Adjustment Agency in past years, and raise more than my share of war crops, so I do not think I should of been compelled to join as this is supposed to be a free country. Would like to have you return this letter I enclosed. It seems that they show favoritism in rationing of machinery as I have proof of other things they done.

Yours truly,

And it is signed—

WILLIAM JANVRIN, Lakota, Iowa.

The enclosure was a letter from the United States Department of Agriculture, Agricultural Adjustment Agency at Algona, Iowa, dated March 3, 1944, and was addressed to William E. Janvrin, Lakota, Iowa.

DEAR SIR: Your application for a combine was considered on March 2 by the Kossuth County farm machinery rationing committee and you have been approved to purchase this equipment from the Jenswold Implement Co., Buffalo Center, Iowa.

However, it is necessary that you first agree to cooperate with the township committee in growing your share of war crops in 1944.

We are returning enclosed your application. In the event that you agree to do this, sign your name on the reverse side of the line marked X and return to the Kossuth County United States Department of Agriculture War Board, Algona, Iowa.

Very truly yours,

ROBERT M. LOSS,
Chairman, Kossuth County
United States Department of Agriculture War Board.

I also want to submit a letter from Mr. Arthur D. Budd, from Notch View Farm, Windsor, Mass. It is dated March 23, 1944, and addressed to me.

DEAR SIR: We are much interested to learn of you complaints about the extralegal activities of the Agricultural Adjustment Agency. Here in Massachusetts we seem to have an especially hard-boiled Agricultural Adjustment Agency set-up much given to arbitrary action and imbued with an attitude of "what are you going to do about it?"

And that letter is signed by Arthur D. Budd.

That is all the communications I care to read at the moment.

What explanation is there for the action of these men in requiring these farmers to sign up with the A. A. A. program before they are entitled to rationed articles or commodities?

Mr. COWEN. Mr. Harness, I have no knowledge of these particular cases that you have referred to here, but I want to say this, from the standpoint of the War Food Administration, there is no existing authority nor has any authority been granted from the War Food Administration to A. A. A. to require membership in the A. A. A. as a condition of receiving either farm machinery under the rationing program or gasoline, or any consideration for deferment. No instructions like that have ever been given by the War Food Administration, and no authority like that has ever been delegated.

I do not think any has been given by the A. A. A. to its people, but I will ask Mr. Finn to answer that later.

With respect to deferments, I am a little more familiar with that, Mr. Harness, than the other items you have mentioned here. I want to say that A. A. A., as such, has no function in the deferment program, none at all. It is the county war board, which is composed of an A. A. A. man, plus a representative from each of the other agricultural agencies, that is, the county agent, the local F. S. A. supervisor, the local S. C. S. man, and representatives of other agencies of the Department, who may have men in the county.

In passing on the deferment of agricultural workers, the selective-service boards, as I understand, send out to each one of these registrants a questionnaire. We have delegated to the county agents the responsibility for helping those individuals fill out these questionnaires, which show how many acres of crops the man has, what types of livestock he proposes to have on his farm during the year, and other information which the selective-service board requires as a basis for deciding whether that man is an essential agricultural worker.

Now, it is my information that in the usual case, when that questionnaire is returned to the selective-service board, no further action is required on the part of any agricultural representative.

There are some other cases, however—at least I am so informed—where the local selective service board may have a question as to whether a particular individual should be deferred. When they have those special cases they refer them, not to the A. A. A., but to the county war board for additional information. Now, when that is done, that particular factual information is not gathered by the A. A. A. at all, but by the county agent, and it is transmitted to the selective service board through the county war board. If the selective service board asks for a recommendation as to whether the war board thinks the particular registrant is essential or not, then the war board does make a recommendation, stating whether in their opinion this man is essential to agriculture in that county; but I want to emphasize the fact that the two agencies concerned are, first the county agent, who gets the factual material, and second, the war board, which may make a recommendation, if the selective service board requests it.

In all cases, however, the decision as to deferment is made by the selective service board.

For that reason, Mr. Harness, I cannot see any explanation for the first statement you read, because neither in any instructions which we have sent out, nor in anything which I have seen in the selective service regulations, is there any reference to membership in the A. A. A. as a prerequisite to the deferment of an agricultural registrant.

Mr. HARNESS. Now, do you want to make the statement that, on behalf of yourself and the other officials of the Agriculture Department, that you have not officially or unofficially by word of mouth

or by letter condoned the setting up of a program whereby these A. A. A. and War Food Administration employees have been required, as a condition to deferment or to the receipt of farm implements or any other rationed articles or commodity, to join the A. A. A.?

Mr. COWEN. I can certainly make that statement for the War Food Administration, and I will ask Mr. Finn to speak for the A. A. A.

Mr. HARNESS. What do you say about that for the A. A. A., Mr. Finn?

Mr. FINN. Absolutely; there is certainly no official or unofficial instructions of any kind whatsoever to require that.

Mr. HARNESS. How can you gentlemen account for this activity on the part of the A. A. A. officials through the Middle West, extending clear down into Texas?

Mr. FINN. I would like to clarify the procedure of handling the rationing of farm machinery in the same fashion that Mr. Cowen outlined the procedure of the selective service deferments.

Farm machinery rationing—not all items of farm equipment are rationed—is done by a three-man committee in the county, composed of farmers. One of these farmers is a member—

Mr. HARNESS. May I interrupt you at that point? Do you know any of these boards in any county in the United States whose members are not affiliated in some way with the A. A. A.?

Mr. FINN. No; there are none. They are all affiliated in some way with A. A. A. I want to clarify the nature of that affiliation.

The A. A. A. office is the place in each county where this activity is centered. The board which does the work of rationing in this office is composed of three farmers, one of whom is a member of the A. A. A. committee, and two of whom are not members of the A. A. A. committee.

Mr. HARNESS. Who undoubtedly comply with the A. A. A. program?

Mr. FINN. No; we have no knowledge as to whether they do or do not. They are merely required to be farmers, representative farmers in the county, and as to whether they have or have not participated in the A. A. A. program has nothing whatsoever to do with their service on this board.

Mr. HARNESS. Who selects them?

Mr. FINN. They were originally appointed by the county war board, of which Mr. Cowen spoke, composed of the representatives of all of the Federal agencies operating in the county—

Mr. SPARKMAN. Federal agricultural agencies.

Mr. FINN. Agricultural agencies; yes, sir. Thank you for the correction.

Now, the information on which this committee works in doing the rationing necessarily reflects the type of operation that the man is conducting on his farm. It is necessary for them to know whether he is operating, the scale of his operations, and how badly he needs the equipment in relation to the needs of other farmers in the same county. There is quite specific procedure set up for the guidance of these committees, which includes the information they are required to consider and the standards for determining eligibility. Obviously, the demands of farmers are considerably in excess of the supply of machines. In practically every county some farmer would like to buy one of these machines and is not able to do so, because there are not enough to go around.

Mr. HARNESS. Right there, may I interrupt you—

Mr. FINN. Yes.

Mr. HARNESS. What does this board consider when a farmer makes an application for a tractor or a combine, what does your board consider when they are passing on his application?

Mr. FINN. They consider the acreage of crops that he intends to produce with the tractor or combine; they consider whether he has any equipment that might be used in lieu of the new tractor or combine; they consider whether there is an abundance of this same machinery in the community; and whether this man would be willing to operate the combine not only to save his own crops but also on a custom basis, to assist other farmers in harvesting their crops.

Those are the things which the rationing committee considers.

Mr. HARNESS. They do not take into consideration whether he is a participant in the A. A. A. program?

Mr. FINN. No; not at all.

Mr. HARNESS. You mean those are the instructions, so far as you are concerned?

Mr. FINN. That is correct.

Mr. HARNESS. But you have heard these cards and these letters that I have read wherein they make it a condition that they join the A. A. A. before they can get a rationed article, or a condition on their unit certificate for draft deferment.

Mr. FINN. I think the meaning of the statements is not definite. There are implications in some of them that the farmer believed he had been asked to participate in the A. A. A. program. On the other hand it is possible that the man may have misconstrued the inquiry into the acreage of crops and the amount of livestock which he proposes to have. In no event are these matters related to the A. A. A. program. If they have gone beyond that, they have gone beyond the requirements of their instructions. We would like, with your permission, to investigate each and every one of these cases and any other cases in which there is any indication that coercion is being used to influence farmers to participate in the A. A. A. program.

Mr. HARNESS. Have you, as the head of the A. A. A. here in Washington, had any complaints similar to these come to your attention?

Mr. FINN. We have seen the Marion County selective-service letter which was referred to you, presumably about the time you saw it—at least, it came to our attention at about that time. It was referred to us by the chairman of the Indiana A. A. A. State committee. My information is that the National Selective Service also had notice of it at about the same time.

Mr. HARNESS. Yes, I sent it to the National Selective Service and asked them to investigate it, and I got a report back which I shall put in the record in a few minutes.

Mr. FINN. Yes.

Mr. HARNESS. Now, then, what did you do about these complaints when they came to your attention? Did you make any investigation?

Mr. FINN. Investigation has not been made by the A. A. A. Since this was a selective-service letter we would not be empowered to investigate it. You have referred the letter to them and you have a report from them. Apparently the local selective-service board violated their instructions, and correction of that could come only from those supervising their work.

Mr. HARNESS. Of course, there must be some kind of an understanding or agreement between the A. A. A. representative and the members of the board in order to carry out this thing.

Mr. FINN. No; there is none which in any way involves participation in the A. A. A. program. I think that should be emphasized. The understanding between the War Food Administration and Selective Service is solely one of cooperation between the county war board and the county selective-service board. The War Food Administration has authorized county agents to develop information for county war boards for use in dealings with the local draft boards. In this connection, when instructions were being drafted last fall it was provided that the county agent would collect the factual information that was desired and furnish it directly to selective service. Selective-service officials stated that this would not be satisfactory—they stated that they would not take the recommendation of the county agent or of any other single agency. They insisted upon having the recommendation of the war boards.

Mr. HARNESS. Here is what enters into this picture: You have in your war boards the chairman of the A. A. A. committee as chairman; then you got the A. A. A. committee in most instances occupying the same office in each county, working with the draft board, who, as I understand it, advise the draft boards—

Mr. FINN. That is right.

Mr. HARNESS. On these farm problems, in order for the draft board to make up its mind and decide whether this man is entitled to deferment.

Mr. FINN. That is right.

Mr. HARNESS. Whether it would be better to keep him on the farm or put him in the Army.

Mr. FINN. That is right.

Mr. HARNESS. Now, with that close tie-up, you cannot come to any other conclusion from this correspondence and these affidavits and these letters and cards but that they are using the A. A. A. as a means of deciding deferments and whether a man is entitled to rationed articles.

Mr. FINN. I do not believe that is true, sir. The A. A. A. office, it is true, is the office in each county where the war board does its work, but that is not the A. A. A. committee. The A. A. A. committee is not present at any time that the county war board is doing its work.

Mr. HARNESS. The chairman of the A. A. A. is there.

Mr. FINN. He is a member of the board, but he is only one of several members, and it would not be possible for him to determine the board's actions.

The requirement of participation in the A. A. A. program or any other program for consideration in draft deferment or rationing machinery or gasoline is wholly contrary to instructions. The instructions are widely understood and known among all the workers in the War Food Administration. The other members of the war board know the instructions and it is not conceivable that these members who have no connection with the A. A. A. program would, contrary to the instructions make a recommendation to the local selective service board based upon the registrant's participation in the A. A. A. program.

I do not feel that the statements which you have read reflect any predominance of belief on the part of farmers that they are required to take part in the A. A. A. program.

Mr. HARNESS. I would like at this point to call your attention, and to put in the record, a letter handed to me by Congressman Gillie of the Fourth Indiana District, which he received from one of his constituents. This was written from rural route 2, Columbia City, Ind., dated March 23, 1944, and it is addressed to Congressman Gillie:

DEAR SIR: The local selective-service board classified me in 1-A. Inasmuch as I am 36 years old, have a boy 14, a girl 12, and a small boy 6, have 80 acres of my own, rent 80 acres besides, and with my milk cows, hogs, chickens and farming units I have over 50 units, I feel I am justified in appealing for a 2-C classification.

I went to the local A. A. A. office to have Mr. Bennett, who is A. A. A. county chairman of Whitley County, figure my units. He flatly refused, sent me 9 miles out in the country to the township committeeman, forced me to sign up with the A. A. A. before he would figure my units, and then refused to make any recommendation whatever for agricultural deferment.

That is signed by Kenneth D. McCombs.

Mr. FINN. Well, we would like to have all of these cases so that we can investigate them.

Mr. HARNESS. That is an instance where your A. A. A. is working together with the local board, if this statement is true.

Mr. FINN. If that is true; yes, sir.

Mr. HARNESS. And that is a thing you say you do not countenance.

Mr. FINN. That is right, and this chairman had no authority to direct this man to confer with the community committeeman about this matter which is delegated to the county agent.

Mr. HARNESS. I think it proper to make an observation at this point. We are not interested in the question of whether the A. A. A. is good or bad; we are merely interested in learning whether or not the employees of A. A. A. are using their authority to coerce farmers, who may not believe in it, into joining it.

Mr. FINN. We are interested in that too, very deeply interested in it.

Let me develop one phase of the A. A. A. organization, which I am sure everyone realizes—but it seems to me important in considering this whole matter.

The A. A. A. administration locally is composed of farmers elected by neighbors in their county. A majority vote of the farmers is the basis on which these people get to be committeemen. We know of no fairer or better way in which to have them chosen. This method of selection is now required by law. However, even before the law required it, most committeemen were chosen that way. No doubt this system can, in cases, cause the choice of a person who may use his position in a prejudiced or abusive way, but if and when that is done there is authority to remove him. Thus, the authority which the War Food Administration has in the selection of these people is wholly negative. The choice of farmer committeemen is vested in the people.

Mr. HARNESS. Now, at that point, you say they have no control. Don't they pay them?

Mr. FINN. Yes; we do; when they work.

Mr. HARNESS. You can stop the pay, can't you?

Mr. FINN. Certainly. If they use their position unfairly or in a prejudicial manner or give favoritism—it does not make any difference

what it is—that is contrary to any instruction that they have and is cause for removal.

Now, the committeemen that you referred to who signed some of these post cards and letters have clearly gone beyond their authority.

In such cases we shall bring about a correction either by requiring the committeeman to operate according to instructions, or remove him and have the farmers choose one who will operate according to instructions.

Mr. HARNESS. And do you propose to make an investigation of each individual case?

Mr. FINN. Certainly.

Mr. HARNESS. In my estimation of the matter, I would think that there have been thousands upon thousands of these cards and letters which have gone out in various States, but it strikes me that the headquarters here in the Agriculture Department should send out some blanket instructions to these people immediately to discontinue any such practice.

Mr. ELSTON. Will the gentleman yield?

Mr. HARNESS. Yes.

Mr. ELSTON. Have you ever removed anybody because of these practices?

Mr. FINN. Because of these particular practices? No; not to my knowledge. In the case of other irregular practices that involve things of equal concern to the farmer—

Mr. COWEN. Mr. Chairman, I would like to say, with respect to all these cases, I feel we should issue instructions calling attention to these practices and asking that they be discontinued immediately. We will be glad to do that.

Mr. FINN. That is a very good suggestion. Inasmuch as there appears to be some violation of instructions, we shall restate what the instructions are. It could possibly do no harm and might do much good. We shall do that.

Mr. HARNESS. I don't want to use up the time of the committee, Mr. Chairman, but I would like later to have these gentlemen tell us just briefly what the war food program is.

Mr. SPARKMAN. Mr. Harness, I wonder if you would yield to me before we go into that phase, so that I might follow this a little bit further.

The CHAIRMAN. Mr. Sparkman.

Mr. SPARKMAN. Mr. Finn, I have been listening to these letters and cards that have been read into the record, and it seems to me, of course, that somebody has made a very grievous error; but according to the reports coming to you, would you say that they are localized incidents, rather than a general program?

Mr. FINN. Localized, very definitely.

Mr. SPARKMAN. Don't you believe that it is the result of over-enthusiasm or misunderstanding, perhaps, on the part of these local boards?

Mr. FINN. I would like to make two comments on that; as far as the action of the person who has written the letter or card is concerned, that is overenthusiasm.

Now, as to what the cards and letters specifically say, I think that in a number of cases we should recognize the likelihood that the man who is requesting a machine or action on deferment is complaining

that he did not get the consideration that he wanted. He is displeased, possibly, for the reason that someone else got what he was applying for. Perhaps he was not able to make a sufficient showing that he would be more entitled to it than some other individual. Information that is required in these cases must be furnished in some way in order for the board to judge. The farmer can furnish it on a form that has been printed and made available to him, he can furnish it on an envelope, or he can furnish it in any way that he wishes. None of this has anything to do with participation in or lack of participation in the A. A. A. program. The farmer merely furnishes a statement of what he proposes to do on his farm in the way of crops, or in the way of livestock—

Mr. HARNESS. Wholly voluntary on his part?

Mr. FINN. Wholly voluntary on his part.

Mr. HARNESS. He decides what he wants to do.

Mr. FINN. That is right.

Mr. HARNESS. He merely fills out this form and states that that is his program for the year.

Mr. FINN. Here are copies of the printed forms [indicating], that are in general use. A farmer is not required to use these, and not all do use them. They are duplicates of the forms that are being used throughout the county. It may be of help to the committee to have these on file. The forms have space for the farmer to show his acreage of crops, and that he is keeping so many cows or so much livestock. They also provide a statement as follows: "I want to cooperate in the war-food program, and above is my best estimate of my production in 1944."

Now, you see, that is not the A. A. A. program.

Mr. SPARKMAN. By the way, Mr. Finn, in connection with that statement, I notice one of those letters read by Mr. Harness said to send this application back. It did not refer to the A. A. A. program, but it referred to the War Food, and asked him to sign that. That was apparently a blank he was asked to sign, wasn't it?

Mr. FINN. Evidently.

Mr. SPARKMAN. Rather than the A. A. A. Now, if a man is a member of the A. A. A., this information is already available in the A. A. A. office.

Mr. FINN. No; not the information of what he proposes to do in 1944.

Mr. SPARKMAN. Doesn't he have to prepare that in advance for the A. A. A.?

Mr. FINN. He would prepare it, sometime between December 1943 and the end of March 1944.

Mr. SPARKMAN. Yes.

Mr. FINN. And he would indicate that he desires to take part in the A. A. A. program.

Mr. SPARKMAN. And what he proposes to do.

Mr. FINN. He would file with his statement the specific practices which he is going to carry out under the A. A. A. program. This year the A. A. A. program consists solely of soil building and soil- and water-conservation practices. The farmer in signifying a desire to participate in the A. A. A. program merely says, "I want to carry out certain practices which I understand from your announcement will

entitle me to some payment." That is as far as the A. A. A. program goes.

Mr. ARENDS. Probably some of this misunderstanding comes from this angle of the question, where the board does not have to comply with the crops per acre, and under the A. A. A., under the benefit payments that have been in operation over a period of years, there was a restriction, a limit on what you could produce per acre—

Mr. FINN. Yes.

Mr. ARENDS. Where is the distinction, where ought that line to be drawn?

Mr. FINN. There is no difference.

Mr. ARENDS. There has been under this committee, where compliance with the A. A. A. was necessary, if you are going to participate in the benefits.

Mr. FINN. That is right.

Mr. ARENDS. That is when the restriction was on the crops per acre.

Mr. FINN. That is right.

Mr. ARENDS. But that no longer exists.

Mr. FINN. That no longer exists.

Mr. SPARKMAN. With reference to these notices being sent out, Mr. Finn, in my State, since this has come to public notice, the State administrator of the A. A. A. put out a notice that it has been rumored that these requirements were part of the program and he wanted it clearly understood by everybody that it was not. Apparently this received very wide distribution down there, but I will say this, I don't believe it has ever been indulged in in my section, with reference to goods rationed, with reference to combines, tractors, and other farm machinery, and I have never had any complaints with reference to the requirement that the A. A. A. program be complied with. That is all.

Mr. FINN. May I make a general statement, Mr. Chairman?

The CHAIRMAN. Yes.

Mr. FINN. This general instruction has been issued quite widely throughout the A. A. A. organization, and it is existing now. These committeemen live in all communities of the country. They are people who know the difficulties and the shortcomings and the needs of the farmers in their areas. They have been asked as citizens and as part of their responsibility under the A. A. A. organization to render such help as they can to anyone in connection with farm production problems—maybe he is lacking a machine, or unable to get sufficient gasoline, or his tires are bad or he has some other problem or difficulty. All farmers, whether they are in the A. A. A. program or not, may receive assistance.

I should like to clarify one point concerning the rationing committees. All of them, including the A. A. A. committeeman, serve without pay during the time they are rationing. It is a gratis activity which they, as citizens perform.

Mr. HARNESS. Mr. Finn, why is it that the O. P. A., the rationing boards, have turned over to these war boards the matter of passing on applications for rationed articles, especially gasoline?

Mr. FINN. Well, you will have to ask the O. P. A. for the full answer on that. I would say that it is principally because they are

aware that these local farm people know more about the needs of farmers than others would know.

Mr. HARNESS. Could it be possible—I have heard this charged, I do not make the charge myself—that there was an agreement or arrangement between the officials here in Washington of the A. A. A. and of the O. P. A. to turn over to local A. A. A. committees the rationing of nonhighway gasoline?

Mr. FINN. No, that is not possible.

Mr. HARNESS. For the sole purpose of coercing these farmers into that program?

Mr. FINN. No, it is not possible, I can speak very definitely on that.

Mr. HARNESS. All right. Now, here is a quotation from another letter which I have not yet read. This man purports to quote the A. A. A. agent in his county. He has put it in quotation marks. I ask: "Is it true that a farmer has to be a member of the A. A. A. to have his units counted?" And he answered: "Yes."

Mr. FINN. Who was that question put to?

Mr. HARNESS. The county A. A. A. agent.

Mr. FINN. County A. A. A. agent?

Mr. HARNESS. Wait a minute—"Yes; I was talking to Glenn Smith, a member of the A. A. A. board of Grant County, Indiana."

Mr. FINN. Well, that is like some of the other statements you have read. That is clearly outside any instructions, and a violation of instructions.

Mr. HARNESS. Well, the sole purpose of this hearing is to see if we cannot get that corrected.

Mr. FINN. Yes.

Mr. HARNESS. I think you will be doing the country and the people a great service if your headquarters here in Washington would make known to all of its employees that such practices simply will not be tolerated.

Mr. FINN. We will take prompt and immediate steps to repeat such instructions.

Mr. HARNESS. I would like to tell you this publicly for the record: you shall have access to my complaints which are on file, if you care to make an investigation of these cases.

Mr. FINN. We should like to have each and every one of them, sir. I appreciate it.

Mr. HARNESS. That is all.

The CHAIRMAN. Do you have any further statement which you care to make, Mr. Cowen?

Mr. COWEN. I believe not, Mr. Chairman. I do have a typed statement that we would like to leave for the record, if that is agreeable to the committee.

(The statement referred to follows:)

The War Food Administration is charged with the responsibility of rationing farm machinery and certain items of farm equipment and supplies. With its constituent agencies, the War Food Administration when requested assists the War Production Board, the Office of Price Administration, and the Office of Defense Transportation in making equitable allocations, granting priority certificates, and rationing critical materials and supplies to farmers.

On a similar basis, the War Food Administration assists Selective Service in connection with the deferment of agricultural workers, by supplying basic information concerning such workers to local draft boards. In order to administer the rationing programs at the county level county farm rationing committees have

been established, composed of a member of the Agricultural Conservation Committee and two other farmers who are not members of such committee. These county farm rationing committees issue priority and purchase certificates to farmers without regard to their participation in any program. In each county there is also a county farm transportation committee, composed of a member of the county agricultural conservation committee, a representative of the trucking interest in the county, a representative of the most important type of agriculture in the county, a representative of the second most important type of agriculture in the county, and a fifth representative who is a dealer of farm supplies in the county. This committee generally recommends to the local war price and rationing board of the Office of Price Administration on behalf of farmers the amount of gasoline needed on the farm. It may also recommend the need for farm tires. When requested, the county farm transportation committee may recommend to the local war price rationing board the necessity for gasoline to be used on highways by farmers. However, in all cases farmers may apply directly to the war price and rationing board for fuel and tires. In accordance with a request from Members of Congress last year, which grew out of difficulties experienced by farmers in getting adequate gasoline for essential use, local Agricultural Adjustment Administration committees are authorized, when requested, to furnish such information as they have regarding farm fuel needs. Any such information is supplied to the county farm transportation committee as a service to farmers and is without regard to whether the farmer is participating in any program.

In connection with deferments, the Agricultural Extension Service is responsible, under a memorandum issued by the War Food Administration on November 26, 1943, for "collecting and transmitting to county war boards such factual information as selective-service boards may request * * * regarding the deferment of individual farm operators and agricultural workers."

Eligibility of agricultural workers and farm operators for deferment pursuant to the provisions of the Tydings amendment is determined on the basis of the number of war units which they are producing. County agricultural agents are responsible for collecting information on the number of war units when requested to do so by the local draft board. As indicated, this information is reported to the local draft boards through the county war boards. County war boards are composed of representatives of all Federal agricultural agencies operating in the county, including the county agent and the chairman of the Agricultural Adjustment Agency county committee. All records of Agricultural Adjustment Agency are available to the county agent if he wishes to use them in the preparation of production information requested by the local draft board. The actual determination of farm labor to be deferred is solely the responsibility of selective service and is not vested in any agency of the War Food Administration or the Department of Agriculture.

The locally elected farmer committeemen of Agricultural Adjustment Agency have been given responsibility by the War Food Administration for informing individual farmers in their respective communities of the wartime needs for farm products and encouraging them to produce in accordance with these needs. In carrying out this responsibility Agricultural Adjustment Agency committees have quite generally adopted a farm plan sheet on which the farmer and the committeeman record the operations and the intentions of the farmer. Obviously, for a farmer desiring help these farm plan sheets may provide a source of information which he can use in dealing with local draft boards in connection with agricultural deferment and in dealing with local ration boards in connection with rationed items. The farm plan sheets are in no sense a contract and no one who uses the form is required to have membership in the County Agricultural Conservation Association. Neither is anyone required to use the form.

When farmers wish to qualify for agricultural conservation payments, they merely indicate the conservation practices which they intend to carry out and later furnish a report upon the practices actually performed. Because of this, it generally is near the end of the year before any determination is made of the farmers who have qualified for payment and thus participated in the Agricultural Adjustment Agency program. Nearly all actions in regard to deferment and rationing for the year will have been completed prior to that time.

In all activities in which the agencies and employees of the War Food Administration and the Department of Agriculture are engaged regarding deferment and rationing, equal consideration is given to farmers participating in current programs and those not participating. No instruction has been issued to require any farmer to sign any form, make any pledge, assume any membership, or otherwise indicate his attitude toward or support of any specific policies or programs.

Mr. FINN. And copies also of the forms I referred to.

The CHAIRMAN. Do you have any further statement to make?

Mr. FINN. No.

The CHAIRMAN. We appreciate your being here. We feel this will help clear up a situation based on some bad information, apparently. It is the action of the local boards, rather than your own organization, the A. A. A. The responsibility is a question directly related to the Selective Service System.

Mr. SPARKMAN. If you will permit, Mr. Chairman, I would like to ask Mr. Cowen—I think Mr. Cowen would be the one to answer part of the question I would like to ask him—this has to do with the requirements in order to defer a man in agriculture; that is directly under your department, isn't it, Mr. Cowen?

Mr. COWEN. Yes, sir; we are familiar with the selective-service requirements on that.

Mr. SPARKMAN. And Selective Service confers with you as to the number of units for each man, it provides something along that line?

Mr. COWEN. Let me make this statement, Mr. Sparkman, and I believe it will answer your question:

Last year, in connection with instructions for use in giving the local boards a guide for deciding whether farmers should or should not be deferred, Selective Service furnished its local boards with a table of war units prepared by the Department of Agriculture. The table is a list of the various crops, livestock, and other things grown on the farm, stated in terms of production units, which are based on the number of hours of labor it takes to grow a crop or handle a livestock enterprise. Last year, the National Selective Service System advised the local selective service boards they could consider for deferment farmers having as few as 8 units, although 16 units were declared to be the national objective, and not a great deal of difficulty was experienced over the unit system on that account. Now more recently, I believe it was February 14, 1944, the National Selective Service System issued new instructions in which it was stated that an agricultural registrant should not be deferred unless he produces a minimum of 16 war units a year.

That is a decision which we did not recommend; it was made by Selective Service. In other words, it amounted to a tightening up of the requirements of agricultural registrants.

Mr. SPARKMAN. And the committee that worked out that unit worked it out on the basis of the number of hours required to produce—

Mr. COWEN. Yes, sir.

Mr. SPARKMAN. Just what is the measure?

Mr. COWEN. The measure on the general average is 150 man-hours of labor equals one work unit.

Mr. SPARKMAN. And now can you give us the measure as to the various products produced; for instance, milk cows or beef cattle or war food crops or something like that?

Mr. COWEN. I did not prepare that table, Mr. Sparkman, and I cannot state the unit value for all those items. I can furnish you that table. I do recall that one milk cow is equal to one work unit.

Mr. SPARKMAN. One cow is equal to one work unit?

Mr. COWEN. Yes, one producing milk cow.

Mr. HARNES. Then a man with eight cows would be entitled to eight units.

Mr. COWEN. Yes.

Mr. SPARKMAN. I am getting a great many complaints in reference to that. I am told it is hardly possible for a small farmer on a one-man farm, not mechanized, where he works his farm with his own family, to produce as many as 16 units. Of course, I presume that would depend on what he was doing.

Mr. COWEN. Yes, sir.

Mr. SPARKMAN. It probably would not be so difficult if he has 16 cows, but if he is growing war food crops, the complaints that come to me are to the effect that it is virtually impossible for a small one-man-operated farm to produce as many as 16 units—Mr. Costello has just called my attention to the fact that it requires 2,400 man-hours, which I believe is quite a little longer than the time required of a man working in industry.

Mr. COWEN. Yes, sir.

Mr. SPARKMAN. In order to get deferment.

Mr. COWEN. Yes, sir.

Mr. SPARKMAN. Now, another thing—and this probably is not in your line—we do not require a man working in essential war industry to produce so many airplanes, so many guns, and so many pieces of whatever he is working on, in order to get deferment.

Mr. COWEN. That is right.

Mr. SPARKMAN. I do not believe we even require so many hours, man-hours, during the year.

Mr. COWEN. I would like to say again, Mr. Sparkman, that is not a decision we made.

Mr. SPARKMAN. No; I recognize that.

Mr. COWEN. I want to say this further; the table which was furnished a year ago was a table of national averages.

Mr. SPARKMAN. That is, taking your big farms and your mechanized farms and averaging them up with little one-man farms.

Mr. COWEN. That is right; it never was intended to be anything more than a reflection of the national average labor requirements. We recognize that that measure does not fit every farm nor every farming area.

Mr. SPARKMAN. That would be particularly true of the type of farm that I have described, the small family-operated farm down in my section of the country, and that is the type of farm that prevails there.

Mr. COWEN. I think in many areas down in your section of the country particularly, Mr. Sparkman, it would be very difficult for those small farmers to earn the 16 units now required.

Mr. SPARKMAN. That are required as a minimum.

Mr. COWEN. Yes, sir.

Mr. SPARKMAN. Now, is not the War Food Administration somewhat concerned about the effect this may have on production of war food crops?

Mr. COWEN. We certainly are, sir. We have made recommendations to the Selective Service Director that there be a means of adapting this table to the different types of farming areas in the States. In other words, we have said here is an average table for the country. We do not believe that it is equally applicable in all areas, so we furnish it to you as an average table. We request that the State war boards be given authority to adapt the table to the different types of

farming areas in each State. In every State there are well-defined areas, known as farming type areas. In your State probably there are four or five, and we have strongly urged that such an adaption be provided for.

Mr. SPARKMAN. They have not yet accepted your recommendation, have they?

Mr. COWEN. No, sir; they have not.

Mr. SPARKMAN. I don't know whether it is true or not, but I have heard that even if 16 units is the minimum, the Selective Service System would give a deferment for only 6 months. Now, some of my farmers say to me, "We don't know whether to plant our crops or not; no need to plant them." When a crop is planted, as you know, the farmer's investment is made.

Mr. COWEN. Yes.

Mr. SPARKMAN. If he cannot harvest his crop, it is all lost; his investment is gone.

Mr. COWEN. That is right.

Mr. SPARKMAN. These farmers are reluctant to make their investment in planting, not being able to see any chance of harvesting next fall with the 6-month deferment.

Mr. COWEN. I think that is correct, Mr. Sparkman. We raised that question with the selective-service representatives who pointed out that their instructions provide that if a man is, at the end of the 6-month period, producing substantially as much as he was at the beginning, or if his production has not changed, the deferment will automatically be continued. In other words, I understand there is a difference between a renewal, we will say, of an industrial worker's deferment and a continuance of an agricultural deferment. As I understand this new regulation which you inquire about is for the purpose of checking up on the registrants who may have left agriculture within the 6-month period, or who are not producing enough food to be entitled to deferment.

Mr. SPARKMAN. I think that is all right, provided sufficient notice is given. I think that there are a great many farmers who really expect that the deferment is just for the 6 months and at the end of the 6 months they will be called. They are not going to plant their crops when they expect to be called at the end of that time.

Mr. COWEN. We have asked them to try to clarify that point with the local boards.

Mr. SPARKMAN. I certainly hope you continue to urge the Selective Service System to give a little flexibility to this program because it is going to be very discriminatory against sections such as mine, for instance, and a great many other sections of the United States, where small family farm types prevail.

Mr. COWEN. Yes, sir.

The CHAIRMAN. Over what period of time is this 150-hour base spread in determining a unit?

Mr. COWEN. Over a year.

The CHAIRMAN. One year?

Mr. COWEN. Yes, sir.

Mr. HARNESS. I have one more question I would like to propound to each of you gentlemen: If you should make an individual investigation of these complaints that have come to the attention of the committee, in examining the file you will find that many of these

farmers are reluctant to have their names made public, because they are afraid of retaliation on the part of the committee, such as revoking their gas rationing or their deferments. I wonder if you will, so far as your agencies are concerned, assure this committee and others that the farmers of America, or any of these farmers who brought these complaints to our attention, will be protected in their rights.

Mr. COWEN. Surely.

Mr. HARNESS. And not retaliated against by your employees?

Mr. COWEN. Yes, sir.

Mr. FINN. Absolutely.

Mr. HARNESS. That is all.

The CHAIRMAN. Thank you very much, Mr. Cowen and Mr. Finn, for appearing here today. The information you have given us will tend to clarify the situation and bring about redress of any injustice that may have been practiced.

Thank you very much.

STATEMENT OF H. L. BOYLE, ASSISTANT DIRECTOR, FARM MACHINERY EQUIPMENT DIVISION, WAR PRODUCTION BOARD, ACCOMPANIED BY COL. C. D. WIMAN

The CHAIRMAN. Mr. Boyle, I understand you are Assistant Director of the Farm Machinery Equipment Division of the War Production Board?

Mr. BOYLE. That is right, and I have asked Colonel Wiman to come here to the table with me.

The CHAIRMAN. I do not know whether or not any of these questions that have been propounded at this hearing to either Mr. Cowen or Mr. Finn would apply to your activities. I presume the War Production Board is largely concerned with the production of farm equipment machinery, rather than to its allocation after it has been produced. Is that correct?

Mr. BOYLE. That is correct.

The CHAIRMAN. I think your agency then is not directly affected by any of the questions that have been raised here this morning?

Mr. BOYLE. That is right; we do not have distribution at all.

Mr. HARNESS. I would like to know whether you have any working arrangement or agreement with O. P. A. and the War Food Administration with respect to the allocation of any of this farm equipment rationing?

Mr. BOYLE. No, the War Food Administration makes the allocations; we have to do with the production of it.

Mr. HARNESS. Then all you have to do is to grant so many priorities for the manufacture of steel or such other commodity as is needed to produce the machinery?

Mr. BOYLE. That is right, to see that the machinery is produced.

Mr. HARNESS. You have nothing to do with its distribution or allocation?

Mr. BOYLE. That is right.

Mr. SPARKMAN. The War Food Administration makes the computations, asks you to allocate enough steel to make so much machinery?

Mr. BOYLE. That is right.

Mr. SPARKMAN. And you pass on that question, is that right?

Mr. BOYLE. We pass that on to the manufacturers.

Mr. SPARKMAN. Has there been some loosening up during this year of the requirements—or rather, on the amount of machinery manufactured?

Mr. BOYLE. It does appear that the War Food Administration program is a minimum requirement, so even with all the schedules met there still would be a shortage.

Mr. SPARKMAN. But there has been an increase over last year in the amount you have allocated?

Mr. BOYLE. There has been a slight increase, yes.

Mr. SPARKMAN. What about repair parts?

Mr. BOYLE. Repair parts are—Colonel, would you answer that question?

Colonel WIMAN. In answer to your question, I think there is no limit on repair parts. The manufacturer is permitted to make all the repair parts required to meet the demand, so far as we can reallocate the necessary steel for that purpose.

Mr. SPARKMAN. That is all.

Mr. PHILBIN. Do you have charge of the allocation for Lend-Lease also?

Mr. BOYLE. Lend-Lease is one of the claimant agencies that ask us for the amount they wish to have us program, and we program it.

Mr. PHILBIN. It has been asserted that approximately 2 percent of all agricultural instruments and machinery being made in the country is being allocated to Lend-Lease. Do you have any statistics in round numbers in various categories as to just what amounts are being allocated to Lend-Lease by your agency?

Mr. BOYLE. No, sir; I do not have that with me.

Mr. PHILBIN. Could you give us that information, furnished in various categories, of the approximate number and various kinds and categories of machinery that are allocated to Lend-Lease?

Mr. BOYLE. I think that 2 percent is approximately correct.

Mr. PHILBIN. How about that new agency, the U. N. R. R. A.? I would like also to have the allocation on U. N. R. R. A.

Mr. BOYLE. On U. N. R. R. A. there have been no allocations made yet from our division.

Mr. PHILBIN. Have you had inquiries for allocation from U. N. R. R. A.?

Mr. BOYLE. We have had a program presented to us, it has not been implemented. The top side of W. P. B. has not yet passed on that. It has not been brought to our attention; in other words, it has not been scheduled.

Mr. PHILBIN. Are you in a position to furnish that information in percentage, the various types and pieces of machinery, such as tractors, cultivators, harvesters, and so forth, that are used in agriculture?

Mr. BOYLE. That program has not been implemented; it has not been given to us to give out to the manufacturers as yet.

Mr. PHILBIN. As to Lend-Lease, you do have that allocation?

Mr. BOYLE. As to Lend-Lease, yes.

Mr. PHILBIN. Can you also, in connection with Lend-Lease, give us whatever information you have regarding the request made to you respecting U. N. R. R. A.?

Mr. BOYLE. Those things have not been implemented, so we do not know just exactly what you want in that connection.

Mr. PHILBIN. Do you have any original estimates that have been furnished you by U. N. R. R. A. concerning their demands?

Mr. BOYLE. We have no U. N. R. R. A. program, inasmuch as that has not been implemented.

Mr. PHILBIN. When you say it has not been implemented, what do you mean?

Mr. BOYLE. I mean it has not been allocated to manufacturers, it has not been made part of the program.

Mr. PHILBIN. Do you have the request you have received from U. N. R. R. A.?

Mr. BOYLE. We have certain requests that have not been put into production.

Mr. PHILBIN. Will you give us the request you have from U. N. R. R. A. and the actual allocations you have made for lend-lease requests now pending from lend-lease, and requests pending from U. N. R. R. A.?

Mr. BOYLE. We can get that for you; yes, sir.

The CHAIRMAN. Thank you very much.

STATEMENT OF CHARLES F. PHILLIPS, DIRECTOR OF AUTOMOTIVE SUPPLY, RATIONING DIVISION, OFFICE OF PRICE ADMINISTRATION

The CHAIRMAN. Will you give your full name to the reporter?

Mr. PHILLIPS. I am Charles F. Phillips. I am Director of the Automotive Supply, Rationing Division, of the Office of Price Administration. As such, I have among other things in my division the rationing of gasoline. I have no prepared statement, Mr. Chairman.

The CHAIRMAN. I presume, Mr. Phillips, you have been present and you have heard some of the letters which Congressman Harness has read to these witnesses?

Mr. PHILLIPS. I have.

The CHAIRMAN. I wonder if you have some statement or explanation thereof that you may want to make to the committee?

Mr. PHILLIPS. Yes. The arrangement between the Office of Price Administration and the Department of Agriculture war boards came into existence perhaps 2 or 3 months after we went into Nation-wide rationing of gasoline; in other words, sometime early in 1943. We had a rather unfortunate experience when we first issued nonhighway rations. In fact, many of our volunteer boards in dealing with the gasoline job—although they did the best job they could do with the knowledge that they had—were not thoroughly familiar with farm operations. The result was that we did have an overissuance of our E and R coupons, which are the nonhighway gasoline coupons. In discussing the problem with Mr. Jeffers—Mr. Jeffers was in the picture, as you recall, because at that time we were rationing gasoline to save rubber and not gasoline as such except in the East—he requested that we get together with the Department of Agriculture and see if we could not make use of the expert knowledge which they must have of all the various localities. We did that, and we reached an agreement under which our local rationing boards were to forward

to these farm county transportation committees applications for non-highway rationing. The committee would look over the application and, based upon its knowledge of acres planted, crops, local conditions, and the like, would inform the local board how much the individual farmer should be granted. There was in that arrangement no intent, I assure you, sir, to put pressure on any one to join any kind of an organization.

That arrangement worked very satisfactorily in most areas of the country. Of late, I would say within the last 3 weeks, or 4 weeks perhaps, I have had a number of complaints from various areas of the country—very few but enough to call for some action. These complaints allege that some of these local committees to which we sent applications for their certification were using that certification authority to force certain farmers to join the A. A. A. At that time we sent a wire to each of our offices and followed that up with instructions to all of our local boards, which read as follows—what I am reading here is as it appears in our local board service—

The CHAIRMAN. What is the date of that, sir?

Mr. PHILLIPS. That went out on March 23.

Mr. HARNES. Last week?

Mr. PHILLIPS. That is correct.

Mr. PHILBIN. Subsequent to your complaints?

Mr. PHILLIPS. Subsequent to the complaints. I should say that this wire to which I referred—which wire, by the way, I will be happy to give you a copy of, but I do not have it here—went to all of our regional offices. Our printing arrangements are not always the fastest in terms of getting information to our local boards. This refers to the farm transportation certification. The purpose of the requirement is to provide our rationing boards with information and expert assistance concerning proper gasoline consumption by farmers. As a general rule, all applications must be referred for certification. However, in a few cases objections may be made to such certification. Where investigation by the O. P. A. district office shows that such objection is based on other than rationing reasons, it may authorize the board to waive the certification requirement in individual cases. In such instances the board shall examine the applicant with care and make use of other expert advice.

Mr. HARNES. In other words, under that a farmer who feels that he has been coerced or required to do a certain thing such as join the A. A. A. before he can get his nonhighway ration coupons, can then go to the local board and submit an application?

Mr. PHILLIPS. That is correct.

Mr. HARNES. Independent of this arrangement that you have with the A. A. A.?

Mr. PHILLIPS. That is correct. One other point, In investigating the cases by our district office, we have found a number in which objections to certification are based on reasons other than rationing. What I mean specifically is that we have had a number of cases where farmers have been cut down on their original ration. If, after investigation, we were thoroughly convinced that his original ration was too high, we have stuck by the recommendation. But where other factors are involved, we do it the other way. Our interest in this is purely to get expert advice. That is our entire interest in this certification.

Mr. HARNES. You have no arrangements, then, with any A. A. A. or War Food Administration officials that rationing of nonhighway gasoline to farmers is conditioned upon their joining the A. A. A.?

Mr. PHILLIPS. Your statement is correct; we have had no such arrangements at any time.

Mr. HARNES. I think that notice you have sent out has served a good purpose; it should clear up the situation to some extent.

Mr. ELSTON. How many of those wires did you send?

Mr. PHILLIPS. This goes to every rationing board in the United States, some 5,500.

Mr. ELSTON. You sent telegrams to all of them?

Mr. PHILLIPS. No, sir. We used to do that in the early days of rationing, but we found it ran our budget up quite a bit, sir, so that the arrangement is that that telegram to which I referred went merely to our 8 regional offices which in turn wired our 93 district offices, and that is as far as that wire goes. This statement which I read, however, goes directly to the local board. The complaints, as you know, come in here to Washington and we forward them to our district office which is close to the spot of the difficulty. As I say, some 2 weeks ago we authorized them to take this step right at that time.

Mr. ELSTON. You do not send out wires to all your local boards, then?

Mr. PHILLIPS. No, sir.

Mr. HARNES. Have the local boards got this notice yet?

Mr. PHILLIPS. I will have to call you on that, if you don't mind, sir. This is dated March 23, and I think the answer would be yes, but I would not want to be held to that.

Mr. HARNES. It was sent to them by mail?

Mr. PHILLIPS. That is correct, mailed out from our New York mailing office.

The CHAIRMAN. We appreciate the information you have given us, Mr. Phillips, about this matter.

Mr. PHILLIPS. You are very welcome.

STATEMENT OF COL. FRANCIS V. KEESLING, JR., SELECTIVE SERVICE SYSTEM

The CHAIRMAN. I wonder if Colonel Keesling will come forward?

Colonel, during some of the testimony you undoubtedly heard the notes Mr. Harnes read to the previous witnesses regarding the activities of the county selective-service boards in Indiana, and I was wondering whether your office had taken any action on a matter of that kind.

Colonel KEESLING. Yes, sir; we worked very closely with Mr. Harnes, and we took action with the State director, and the matter has been taken care of. Any such action on the part of the local board is entirely outside of national policy.

Mr. HARNES. Mr. Chairman, at this point I would like to put into the record a letter from General Hershey, Director of Selective Service, pertaining to this matter. I may say, however, that I sent to Colonel Coatsworth in the office of General Hershey a copy of this draft-board letter, asked for an investigation, and he sent this letter in reply:

DEAR MR. HARNES: Following your telephone conversation with Colonel Coatsworth, and the receipt of your letter of March 14, 1944, with attached copy of Grant County local board release, we requested the State director of selective service for Indiana to make an investigation and report.

We have received information through this investigation that steps have been taken immediately following the issuance of the release to nullify the contents, and that measures were currently being taken to make certain no such reissue would take place.

Membership in the Agricultural Adjustment Agency or participation in the Agricultural Adjustment Agency program has never been required by this headquarters as a prerequisite for agricultural deferment of a registrant.

Sincerely yours,

LEWIS B. HERSHEY, *Director.*

The CHAIRMAN. Colonel, we would like to have some statement from you regarding this new proposal that has been announced recently in the press.

I may state to all of these witnesses who have appeared previously, if they desire to leave, they are excused so far as the committee is concerned, although they are welcome to stay if they wish to do so.

I would like to have a statement from you, Colonel, regarding this new proposal which refers to industrial deferments.

Colonel KEESLING. Mr. Chairman, I have prepared a very informal statement, and understanding you will have a few questions after I finish, I have prepared a statement showing how the action that Selective Service has taken ties in with what you have been reading in the paper about this interagency committee.

At the hearing before the subcommittee on March 16, 1944, I explained that local boards would not consider registrants under 26 years of age for occupational deferments in the future unless the State director recommended such deferments. I also explained that if such a recommendation were made by the State director, it would still be up to the local board to determine whether or not the deferment should be made.

At last Friday's hearing you inquired of Mr. Donald Nelson concerning what you had been reading in the papers with respect to the creation of an interagency committee for the purpose of determining the total number of men under 26 to be occupationally deferred temporarily. You also questioned Mr. Nelson generally concerning the method of making that determination and how it was to be allocated through the various war agencies to the activities engaged in their respective fields.

Mr. Nelson informed you that he and other representatives of war agencies had been working with Selective Service trying to ascertain the number of such men who should be temporarily deferred. He stated that it was up to them to try to limit that number to the least possible number that can carry on war production and that that was the problem they were working on at the present time. He also stated, in answer to a specific inquiry from Mr. Sparkman, that whatever figure was fixed as the number to be deferred under 26 years of age, such men were not to be permanently deferred, but that replacements should also be obtained for them as soon as possible and indicated the need for immediate action along the lines that the committee had suggested and that Mrs. Luce had suggested to get the 4-F's and others for replacements and to curtail turn-over so that war production will not suffer and so that these men, included within that are within the quotas, in addition to those we are taking

out who are not within the quotas, may be taken into the military service at the earliest possible moment.

When questioned about the figure of 40,000 which had appeared in the newspapers, Mr. Nelson stated that that was not a definite figure and also stated that it did not include farm workers, Government employees, and some others, but was confined to employees in war industries, transportation, mining, and so forth.

Obviously, the State directors of selective service, in order to be able to make recommendations to their local boards for occupational deferment of certain men under 26 years of age, must have some satisfactory information presented to them as a basis for their determinations. The procedures that you were discussing with Mr. Nelson concerning the fixing and allocating of quotas to the various war-effort activities as to deferments of specific numbers of men under 26 years of age are for the purpose of formulating a plan so as to get more definite information of a satisfactory nature into the hands of the Selective Service System.

All of the State directors have been greatly handicapped and would continue to be greatly handicapped if the information and requests coming to them came solely from the thousands of plants and various activities engaged in war production. Obviously it would be of material assistance to the State directors to have the various war agencies look over the requests of the various war-effort activities in their respective fields and submit their recommendations and findings to the State directors, on the recommendations of the respective Government agencies after processing the recommendations and demands of the individual plants and activities over which they have some jurisdiction and in whose processes the services have felt a direct interest in carrying on the war effort.

In this latter connection, on March 24, 1944, subsequent to the hearing at which Mr. Nelson testified, General Hershey sent the following telegram to all State directors of selective service. A copy of the telegram is attached to the statement and was sent to all State directors of the Selective Service System. It is dated March 24, 1944.

The War Department, Navy Department, Maritime Commission, War Production Board, Office of Defense Transportation, War Food Administration, Petroleum Administration for War, Solid Fuels Administration, Rubber Director, and War Shipping Administration have been authorized to designate representatives in each State to endorse forms 42-A special for key registrants under the age of 26 engaged in war activities other than agriculture and employed in establishments coming within their jurisdiction. These representatives when designated will present their credentials to the State directors. These representatives will also be authorized to furnish information to State directors regarding the activities and establishments coming within their jurisdiction. It is expected that the endorsements and information provided by these representatives will be used by State directors but such endorsements are not binding. This procedure is effective immediately and will apply, although new lists of war activities and establishments are not yet available. It is contemplated that the Director of Selective Service will furnish you with a new list of war activities other than agriculture and the establishments within those activities in which key registrants under the age of 26 may be considered for occupational deferment. When the list of war activities and the establishments within those activities have been issued to State directors they will constitute the only activities and the only establishments in which registrants may be considered as exceptions to the general restriction against the occupational deferment of registrants under the age of 26 under Local Board Memorandum No. 115, part II, paragraph 1 (a). This does not affect the status of registrants included as exceptions by the Director of Selective Service in Local Board Memorandum No. 115, part II, paragraph

1 (b). The procedure described in this wire applies not only to registrants under the age of 26 and supplements but does not rescind other certification procedures described in selective service regulations, local board memoranda and State director advices. As the new certification procedure becomes operative State directors in their discretion may discontinue the listing of registrants under the age of 26 on the replacement lists of replacement schedules.

(Signed) HERSHEY.

That is the end of that wire.

The procedure established by that telegram makes provision for the various Government agencies to analyze the requests of the various war effort activities and make recommendations for deferment of those men under 26 years of age in such cases as they deem necessary and to furnish the State directors with any additional information concerning classification and deferments and the need hereafter as may be necessary.

The action taken by General Hershey by this telegram is a part of the general program, but the procedures you are discussing with Mr. Nelson concerning the fixing and allocating of quotas for deferment of men under 26 should be formulated and should be put into operation in addition to what has been provided for by General Hershey in his telegram so as to have appropriate action at both the National and State levels.

Mr. Nelson stated that his agency was confining its activities to the deferment requirements of only some of the activities engaged in the war effort. Other war agencies in addition to those should also establish quotas. It is contemplated that they will do so, and in addition that an interagency committee consisting of Mr. Nelson for War Production Board and the heads of other war agencies, those I have named and perhaps others, will analyze and consider proposed quotas for all of the war effort activities they respectively represent, so that they can be analyzed and considered in the light of the over-all national needs and adjustments made accordingly.

It is my understanding that each member of the interagency committee is to have one vote, and that the total national quota fixed by the committee together with the apportionment of the national quota among the individual claimant agencies for distribution among the war activities in their respective fields is to be submitted directly to the Director of Selective Service by that committee as a recommendation from the committee, and that such recommendation is not subject to modification by the member of the committee who may be designated as its chairman.

It is also my understanding that the committee members will designate or have designated their own chairman, who is to have one vote the same as any other member and is merely to preside at the meetings of the committee. When the recommendation as to the national quota and as to its apportionment among the various members of the committee is made, as heretofore stated, it will be submitted to Selective Service merely as a recommendation, following which there will necessarily have to be the closest coordination between representatives of the various members of the committee and representatives of Selective Service at appropriate levels so that not only the national director but also the State directors and local boards will be furnished with sufficient and satisfactory information for satisfying themselves that the quotas are correct, and that the individuals comprising such quotas are in fact necessary men and are irreplaceable for the present.

Although it is more efficient and of more assistance to the Selective Service System to have each individual war agency obtain and analyze the problems and demands of the activities engaging in their respective fields, as aircraft, and these other war effort activities down to the lower level, process them, and in turn submit their own views to Selective Service as to what the requests and demands should properly be, rather than having the individual activities present their own requests and demands individually and directly to Selective Service, it will be far better in my opinion, and will be of much more assistance to the Selective Service System to have the requests and demands as recommended by the various agencies considered by such an interagency committee. Then after being analyzed by the committee and properly adjusted in accordance with the national picture, the joint committee will present its recommendations to the Selective Service System.

It is quite comparable to what you gentlemen have proposed and are watching so closely and carefully with respect to Government employees, namely, the Central Review Committee. There you do not have each Government agency getting the information from the particular activity in their own field and then letting it make demands on particular local boards; you added another step, by requiring submission to and coordination by the Central Review Committee so as to get the proper uniformity and proper allocation after a consideration of the whole national picture.

Mr. HARNES. Colonel—

The CHAIRMAN. Mr. Harness.

Mr. HARNES. Isn't this the very thing we have been talking about for months down here? You are now depriving the local board of its discretion to pass upon the deferments—

Colonel KEESLING. No, sir; this is merely endeavoring to do at the national level and State level, what should have been done a long time ago, that is, get from the lower levels the information from various activities engaged in various phases of the war effort. For instance, the War Production Board, or Judge Patterson, will get information concerning the situation in each plant that is manufacturing machine guns or airplanes, or what have you, and that information would be analyzed by the established agency that is directly interested in that production which will make necessary adjustments and then send its recommendations to the over-all board.

Mr. HARNES. But the State director has the say in approving the number?

Colonel KEESLING. In connection with those fellows under 26, the State director himself must first make a recommendation to the local board, but the local board, subject to appeal, is the one which in the final analysis must determine whether or not the deferment will be granted.

Mr. HARNES. If the local board says, "Yes; we want to defer this man," and the Director says, "No," the man is not deferred, is he?

Colonel KEESLING. If the recommendation is made by the State director that there should be a deferment, then the local board with that recommendation as part of its information will determine whether or not the deferment will be granted. The only thing the State director can do is to take an appeal. On the other hand, if he does

not make a recommendation, then the local board, as is true in connection with your Government procedure if there is no authorized request for deferment, cannot consider him for deferment.

Mr. ELSTON. Colonel, don't you think that these activities that will be listed will be the only activities within which a registrant may be considered for deferment?

Colonel KEESLING. Under 26, occupationally?

Mr. ELSTON. Yes. Now, isn't that a clear violation of the Act of Congress? Didn't we say that men could not be deferred by occupations or by groups in any plant or institution regardless of age? We did not fix any age limit. We specifically so provided, because a previous provision in the law, which seems to us clear but which Mr. McNutt's department stated was not clear, made exactly the same limitation.

Colonel KEESLING. Well, sir, this is not deferment by groups; it is merely a designation of those plants in which deferment under 26 can be granted. Then, within that plant it is still a matter for the local board to determine whether deferment should be granted.

Mr. ELSTON. If you say they are the only groups in which they may be granted, that is the same thing as saying there are other groups in which they may not be granted.

Colonel KEESLING. That is right, and under the act authority is granted to defer nobody, or defer within certain categories. But within the categories you cannot defer by groups; you have to have individual consideration of each individual case by the local board.

Mr. ELSTON. There is nothing in the law which says you may defer by categories or refrain from deferring by categories.

Colonel KEESLING. In other words, you can't grant blanket deferments, everybody, without regard to their individual cases, but you may specify categories, and then within those a determination may be made by the local board. I would like to prepare and submit a statement on this to you.

Mr. ELSTON. You are saying there that young men under the age of 26, who are engaged in certain occupations, can not under any circumstances be deferred, aren't you?

Colonel KEESLING. The occupation—it is not exactly the occupation, it is rather the activity. In other words, it would be a machine-gun plant or an airplane plant, or what have you.

Mr. ELSTON. Either way you are saying that—

Colonel KEESLING. Under the act, the President, or the Director of Selective Service, by delegation from the President, could say that nobody under the age of 26 will be occupationally deferred. One exception, farmers, may, by applying the test of the Tydings amendment, but the only fellows who are deferred industrially are those who are deferred under the rules and regulations set up by the President.

Mr. ELSTON. I grant you they can say people within certain ages shall not be deferred and the age limit may be moved down—

Colonel KEESLING. Yes, sir.

Mr. ELSTON. That, I think, is clearly within the law; but when you say that persons within certain age groups may or may not be deferred, depending upon the type of work they are doing, you certainly are clearly violating the provisions of the law which Congress enacted very recently to clarify another provision. Now, let me ask

you, Colonel, if that is part of the discretion the local board got in the case of a man who is working in some plant that has been listed by this board, we will say, as nonessential?

Colonel KEESLING. They would have no discretion to defer him.

Mr. ELSTON. Isn't that a violation of the law?

Colonel KEESLING. I don't believe so, sir. What I would like to do, if it meets with your approval, would be to submit for your consideration a statement setting forth the basis upon which they determine they could do this, and then you can decide whether it is right or wrong.

Mr. ELSTON. I am not at all objecting to what you are trying to accomplish.

Colonel KEESLING. I believe it is entirely in accord with the law. I believe I can show the provision of it, and that it is the proper thing to do.

I desire to make one further statement.

Mr. Nelson, this committee, and others apparently have come to the point where they recognize that something must be done in order to get replacements from among the 4-F's, the over-age, the discharges, and perhaps others who are not liable to Selective Service, and that something must be done to stop the turn-over. I am definitely of the same opinion that something must be done right now, because these young fellows under 26 and others whom we are taking out, who are not going to be part and parcel of any quota we fix, in many cases will result in curtailment of production. Also, those who are within any quotas that are fixed must, as Mr. Nelson has stated in answer to Mr. Sparkman's question, be replaced at the earliest possible moment, and the only way I see that can be done is by having some control over the 4-F's, the over-age, the discharges, and perhaps some others the committee may determine should be included, and to get down to that immediately, so that we can get the young fellows who are physically qualified and should be in the military forces now, right into the military forces at the earliest possible moment without resulting in any disruption of necessary production.

The CHAIRMAN. Colonel, in that connection, is it true that if the armed services will cooperate with you, that can be done without additional legislation?

Colonel KEESLING. Yes, sir; in my opinion it can be done, and as a matter of fact by a recent telegram which I haven't as yet presented to this committee, preparation is now being made for doing exactly that with respect to the limited-service men, the 1-AL's as distinguished from the 4-F's. We have provided that these fellows in class 2-A or B under 26 years of age will be given a preinduction physical. Those found to be fit for limited service, and who are in war work, and there is no requirement that they be necessary, will be continued in class 2-A or class 2-B, with appropriate designation as to physical status, or 1-AL's and 4-F's not in war work will be placed in class 2-A or class 2-B with appropriate designation as to their physical status. If they get into war work even though replaceable, 2-AL's or 2-BL's will not be subject to induction, unless they shift or get out of the work that they are in without an O. K. of their board. Now, if they do shift or go out, without the approval of the local board, then they will be placed accordingly in 1-AL, and be subject to induction, and will be taken within the Army's present quota for

limited service of 5 percent of each monthly call. In other words, the Army at the present time, as you know, is taking in this 5 percent per month limited service for their own military uses.

The CHAIRMAN. Are you going to expand the limited service so that it will go beyond what it covers today?

Colonel KEESLING. Limited service, as Mr. Sparkman has correctly mentioned, is within the physical standards set by the armed forces. I don't think that will be expanded appreciably, in answer to your other question; as to whether or not this can be done administratively, it can be done administratively, in my opinion, without any additional legislation.

Mr. SPARKMAN. Mr. Chairman, I have to go. This is not in line right now, but I feel very strongly that the committee ought to pursue further this question of agricultural deferment. I should like to make the request, Mr. Chairman, that at some early date, and I do believe it ought to be early, we ask Colonel Keesling or someone from Selective Service to appear before us in connection with that subject.

The CHAIRMAN. I see no difficulty about that.

Colonel KEESLING. We will be very happy to do so, because that is a very troublesome question.

The CHAIRMAN. Colonel, I particularly want to ask you first, What agencies are to constitute that interagency committee?

Colonel KEESLING. I would like to furnish that for the record, sir; most of those that are in the telegram and some of the others, but I will get that definitely and furnish it for the record.

The CHAIRMAN. This interagency committee is the one that has been mentioned in the press in the last couple of days?

Colonel KEESLING. Yes, sir.

The CHAIRMAN. I would like to ask if you believe that participation by these various war agencies on this board will be useful now for determining deferment of those under 26?

Colonel KEESLING. Yes, sir.

The CHAIRMAN. How about expanding their activities to determine the deferments to the 26- to 38-year group?

Colonel KEESLING. I believe it would be quite logical, sir, if this special committee, or if the powers that be and members of the committee saw fit to recommend that this committee assume that broader function with respect to the deferment problems, not only of those under 26 but also of those over 26, because the same system should work as well in that field as in the more confined field.

The CHAIRMAN. How about the 4-F group? I have been somewhat concerned about the loss of persons of that character, who are not being subjected to Selective Service controls at the present time. Do you believe that this agency might be able to handle them in some manner?

Colonel KEESLING. Yes, sir, I do; I believe as to these various airplane plants and other activities down at the lower levels which are actually doing war-effort work, if they are to furnish information as a basis for deferment of certain men within the quotas, it is very important that at the same time they furnish other information, more information, as to their manpower needs, not only as to the number of deferred fellows they need temporarily, but also with respect to the numbers of 4-F's and the numbers of men over age which they need to take care of existing shortages, also to replace those occupationally

deferred, by virtue of the 4-F's and others, so that these young fellows who are in the quotas to be recommended by the interagency committee can be withdrawn at the earliest possible moment.

If the proposal which was made here and which was approved by Mr. Donald Nelson is to go into effect whereby you are to set up a corps—

The CHAIRMAN. Set up what?

Colonel KEESLING. Set up a corps within the armed forces; if that is to go into effect and have the result that we contemplate we would have to know somehow, we would have to determine somehow, where we want these 4-F's and others to go to work so that they will be in appropriate war work doing their patriotic duty, and will not be subject to induction into this corps. We will have to have that information so as to know what plants and activities are going to need 4-F's. We could then concentrate on getting them into such warplants and activities. Therefore, I believe the same procedure and the same interagency committee should be utilized to perform that additional function, that is, to get the information on the manpower requirements and also get the information as to the turn-over of labor, and things of that sort, and then as a board of directors consider these various manpower requirements and problems, the various demands for 4-F's, and the various demands for deferring those under 26 and over 26, and adjust them and make recommendations concerning them in the light of the national picture and then make their recommendation to the appropriate agency.

The CHAIRMAN. In order to utilize these 4-F's without legislation, both the War and Navy Departments would have to change their picture considerably at the present time, would they not?

Colonel KEESLING. What would be required administratively or by way of legislation would be an assurance to the Army and the Navy that the members they would take into such a corps would be in addition to their net strength of 11.3 or 11.4, and that they would merely use them on work that—

The CHAIRMAN. Have you at any time discussed with the War Department, the possibility of their utilizing some of the 4-F's? The thought I have in mind is that many of these men could be used to replace physically fit Medical Corps men in the various Army hospitals throughout the country, for example, do the work they are doing and release those physically fit men for overseas Medical Corps activities.

Colonel KEESLING. We have discussed informally with both services on different occasions, but there are two phases to your question, sir, two phases to the problem. One is whether the Army would have to take in, as you suggest, additional limited service or 4-F personnel—or let us call it "nongeneral service personnel," and use them primarily for military purposes. I cannot comment on that situation with respect to such utilization of military personnel within the armed forces. I cannot comment as to what proportion of the 11.3 or 11.4 should be nongeneral-service personnel, that is, the over 37's and the limited-service men (18-37's with certain defects), and the 4-F's. Presumably there are a certain number of jobs, and only a certain number of jobs, that they could perform out of all the assignments that are to be performed by the armed forces. So that, so far as the Army is concerned, I am assuming, for the purpose of this hearing

and the subject we are discussing, that they have taken in and are taking in, all the nongeneral service personnel they could use for military purpose, and that consequently these would be taken in for a semimilitary purpose so as to assure that the armed forces would be provided with the supplies, food, and other things they need.

The CHAIRMAN. Of course, that would be done somewhat in the line of the units suggested by Mrs. Luce.

Colonel KEESLING. Exactly, sir. That is one way of approaching the problem. The Austin-Wadsworth proposal is in substance much the same thing insofar as the results they are endeavoring to attain. I believe under the Austin-Wadsworth bill that unquestionably they would operate administratively in a specific manner. This could be assured by specifying in that legislation what categories of persons would be used in what order. Thus far, the bill has not been modified so as to put in these specific devices. Of course, the Austin-Wadsworth bill is broader in coverage than the proposal we are discussing. At the present time, I understood Mr. Nelson to say he would prefer to have the Luce bill, which will be a definite and specific proposal, and then, subsequently, if necessary, we could expand the coverage.

The CHAIRMAN. My own thought is that we can possibly do it without either bill. We might try that first.

I think it might be more beneficial; then, if we fail, we might attempt something along that line.

Colonel KEESLING. One thought I had is that, by having legislative sanction you would be, in effect, assuring the armed forces that these 4-F's and others, if they were taken in, would not be included in the 11.3 or 11.4.

The other question you are raising, as to whether they could use some 4-F's and a large percentage of nongeneral service personnel for their purely military tasks is one you would have to thresh out with the services themselves as a separate matter at a special hearing. From the standpoint of legislative sanction, it would be a declaration by Congress that they approve this action, which is a limited form of compulsion.

The CHAIRMAN. Going back to this interagency committee, do you feel that they might serve the additional function, other than those with regard to Selective Service, namely, helping work out the problem of allocation of materials and supplies, such as agricultural priorities and matters of that character?

Colonel KEESLING. Yes, I believe that the same procedure can be followed with respect to getting that additional information, so as to know how best to distribute machinery, utilize apparatus, and so forth. However, as that to a large extent comes within the field of Mr. Nelson's WPB, I think it might be well to talk with him about it. In that particular regard, I understand that when they were discussing the composition and the functioning of this interagency committee, one of the members proposed that it have a production man as chairman, or failing that, that there be two chairmen, somebody from WPB; I believe it was Mr. Wilson as one, and some one else as the other.

The CHAIRMAN. How would the functioning of this interagency committee then differ from the original War Manpower Commission?

Colonel KEESLING. Actually, as I see it, this committee is separate and distinct from the War Manpower Commission.

The CHAIRMAN. As a distinct field of activity, separate and apart from the existing War Manpower Commission?

Colonel KEESLING. I should say physically separate and distinct, but actually performing a function which, in my opinion, was the function to be performed by the War Manpower Commission.

The CHAIRMAN. Do you feel that it is an actual function that should have been performed by the War Manpower Commission in the past?

Colonel KEESLING. Yes, sir. I may say in that regard that, as you know, the War Manpower Commission does not function directly as a commission with final authority. The authority is vested in the chairman, and the chairman has full authority to accept, reject, modify, or do as he wishes with the recommendations of the War Manpower commissioners. That is not true in the case of this interagency committee, where all the committee members have a vote, and it is their decision, the decision of the majority, that passes along as a recommendation to Selective Service or the appropriate agency; but anything that the War Manpower commissioners do is merely by way of advice or recommendation to the chairman; and the chairman has the authority, under the Executive order, as you know, to formulate the policy and do as he wishes.

The CHAIRMAN. You touched on that in your previous testimony. In other words, in this interagency committee the chairman will not be able to exercise his own judgment as to what shall or shall not be done, but will merely carry out the direction of the members of the committee.

Colonel KEESLING. As I understand it, he merely carries out the action on the part of the majority, or whatever it is, whether it is a two-thirds or a majority, I don't know; but the action on the part of the committee members will be submitted by way of a recommendation directly to the Director of Selective Service and will not be subject to modification, or what have you, by its chairman or co-chairman, as the case may be.

The CHAIRMAN. I suppose it has been somewhat premature for any member of this board to recommend, and Congress to pass, any legislation regarding it.

Colonel KEESLING. Of course, that is a matter for Congress. As Mr. Nelson so aptly said last Friday, Congress was the board of directors, and any recommendation from Congress or from this committee on legislative matters would, of course, be entirely up to them.

The CHAIRMAN. Of course, a plan of this kind really should have been introduced sometime before. I think it might have been very material and helpful to us.

Colonel KEESLING. No question about it.

The CHAIRMAN. Determining this question of deferment might have obviated this difficulty.

Colonel KEESLING. No question about it, but I do believe if such a committee had been functioning in the broader field you have outlined, that is, beyond merely the limited 18-26 deferment field, we would not now be faced with the situation we are facing, and perhaps the urge for occupational deferment would not be so great as we would have, I believe, already obtained replacements for the men whom we are now seeking to take and who should have been in the armed forces long before this, and who would have been under a proper plan properly executed.

The CHAIRMAN. However, it is the very same function that the War Manpower Commission might properly have exercised in the past?

Colonel KEESLING. It was our concept, sir, when the War Manpower Commission was established in April—I think it was April 18, 1942—that it would serve a need that had to be performed, and we felt that the War Manpower Commission would act as a policy commission and would not be in the operating field and would not be operating in the manner that the Chairman and staff are, so to speak, wagging the dog, but that the Commission and the Chairman and staff, working hand in glove, would make the findings and follow the same procedure we have outlined with respect to this interagency committee and make their determinations and make their recommendations to Selective Service and let operations be carried out by the appropriate agencies, who were members of the Commission.

I may state in that regard, sir, knowing something about what you are interested in: Shortly after war was declared on February 3, 1942, General Hershey appeared before the Tolan committee and also before the Senate Committee on Military Affairs, and I would like to make available for your study one of the statements we made then, and I would like to read one part of it that touches right exactly on that point, as to what an over-all board such as a War Manpower Commission would be expected to do, and what, in effect, this interagency committee now sets out to do. Of course, the figures and age groups were applicable to that time, February 3, 1942. Reading from that statement:

The Selective Service System has been charged with the responsibility of registering and classifying the entire manpower of this Nation between the ages of 18 and 65, and with the further responsibility of determining which of the men between 20 and 44 should be allocated to wartime production or other essential civilian activities or responsibilities. As a specified amount of money must be so budgeted as to obtain the best use, so also must the supply of manpower be budgeted and allocated so as to obtain the most effective results.

Generally speaking, the following are the users of manpower essential for the war effort and the national health, safety, and interest:

1. The Army.
2. The Navy and Marine Corps.
3. War industrial production.
4. War agricultural production.
5. War transportation.
6. Other civilian activities essential for the welfare of the civilian population.

The manpower must be properly allocated among those users. No user can be permitted to require more manpower for a particular job than it is determined shall be allocated to it after considering the needs of others.

That is the end of that particular excerpt. May I offer the entire statement as exhibit A?

The matter referred to appears at the close of Colonel Keesling's testimony as exhibit A.

On that same line, sir, around the end of September 1942, I was appearing before the House Agricultural Committee and Mr. Pace asked the following question:

Colonel, last Friday, when you appeared before the committee, you were asked concerning the manpower planning, and you stated at that time that you sincerely trusted that the war plans were being based upon the supplies of manpower, materials, and equipment. At this time I want to ask you whether there is any way in which the demands, that is to say, the war plans can be based upon the supplies?

I answered:

I recall going into that, Mr. Pace, and it was my idea at the time that most certainly if we are not basing our demands, that is, our war plans, upon the supplies of both materials, equipment, and manpower, we are going to lose the war—

That was a pretty drastic statement at that time.

In that respect, I think some of the people in Washington have had some business experience. They know very well that if you have a corporation that has \$100,000 in the cash drawer you would not allow the vice president in charge of advertising to go out and commit the corporation to \$120,000 worth of advertising.

No; you would have a board of directors that would determine what resources you have, and then what you are going to do with them.

Now, answering your particular question, General Hershey has brought out here the fact that you have the Secretary of Agriculture; you have Mr. Eastman who represents Defense Transportation; you have Admiral Land in respect to shipping and shipbuilding; and you have Mr. Nelson who represents industrial war production; and you have a number of other Government agencies that are all very vitally interested in various phases of the war effort. If you get all of these men together in one room, together with the chiefs of staff and their advisers on the matériel and personnel, plus some labor management representatives; and some representatives of agriculture and have such a war council presided over by the President—or his delegate—we will be in a position to get all of this information as to how many men of various types and how much of materials and equipment we have in the entire United States and among the United Nations; we could then tell how many men and how much of materials and equipment can be allocated to and used by the various military and civilian war effort users in the various phases of the war effort.

The Selective Service System, on the manpower side, is the warehouse of manpower of all types, but unfortunately not all of the customers come through the front door. The time has come when everybody has to come through the front door of the warehouse. We cannot have some coming in through the back door or windows without our knowledge and withdrawing various types of our manpower without having such withdrawals debited and noted on our selective-service manpower books and records. I think it is best for all war-effort users, the shipyards, the war plants, the military and others to have an orderly businesslike procedure followed, and when a request is made for men, the particular war effort user should be required to present a requisition bearing the stamp of approval of the board of directors or, if necessary, the President, in order to have the particular demand for men honored by selective service.

After the policies are formulated and the war plans are made by the war board of directors on the basis of supplies of manpower, materials, and equipment, then the policies and plans should be submitted to, and carried out by, the existing agencies whose heads are on the board of directors.

The heads of such agencies meeting together with others are the ones best qualified to furnish information as to supplies of manpower, materials, and equipment to bring about proper coordination among the various war effort agencies, and to develop war plans to be carried out by the appropriate existing agencies. Such agencies are the ones best qualified to carry out such plans.

Selective Service as the reservoir of manpower deals with all the war-effort agencies. When requisitions duly approved by the board of directors have been submitted to Selective Service, it is quite capable and has an adequate structure to register, inventory, and deliver the manpower called for by the requisitions, whether for military or for civilian war-effort use.

That appears in this record I have here at the bottom of page 70 and goes over to the top of page 72.

I prepared additional statements and charts along the same line which I would like to make available for Judge Burton and the other members of the committee, which is exactly what was outlined in what I have here.

The CHAIRMAN. I believe that this interagency committee can serve a very useful purpose, sort of a review committee, and I think if they handle their problem as effectively and as toughly as the

review committee did, we may be able to eliminate very rapidly and effectively the present existing shortage that the selective-service boards have run into in trying to fill their quotas.

We appreciate very much your appearing here this morning.

That is all at this time. We will adjourn until tomorrow morning at 10:30 o'clock.

(Whereupon, at 1 p. m. an adjournment was taken until 10:30 a. m. Tuesday, March 28, 1944.)

National Headquarters, Selective Service System, Washington, D. C.

STATEMENT BY BRIG. GEN. LEWIS B. HERSHEY BEFORE HOUSE COMMITTEE INVESTIGATING NATIONAL DEFENSE MIGRATION FEBRUARY 3, 1942

I am appearing in accordance with the committee's request and have prepared a brief statement covering the specific inquiries set forth in such request.

The Selective Service System has been charged with the responsibility of registering and classifying the entire manpower of this Nation between the ages of 18 and 65, and with the further responsibility of determining which of the men between 20 and 44 should be allocated to the armed forces and which of them should be allocated to wartime production or other essential civilian activities or responsibilities. As a specified amount of money must be so budgeted as to obtain the best use, so also must the supply of manpower be budgeted and allocated so as to obtain the most effective results.

Generally speaking, the following are the users of manpower essential for the war effort and the national health, safety, and interest: (1) The Army, (2) the Navy and Marine Corps, (3) war industrial production, (4) war agricultural production, (5) war transportation, and (6) other civilian activities essential for the welfare of the civilian population or for the war effort.

It is obvious that manpower must be properly allocated among those users. No user can be permitted to acquire more manpower of a particular type than it is determined should be allocated to it after considering the needs of the others.

It would be utterly foolish to take men out of essential war production and induct them into the armed forces when by so doing the Army fails to receive the equipment it must have in order to fight effectively. A proper balance must be maintained, and manpower must be so allocated that a sufficient amount of mechanical equipment will be available for the Army and Navy at all times.

The principles and theories of Selective Service concerning such balance and allocation have been under careful study and research for many years.

A vast majority of the manpower between the ages of 21 and 36 have already been registered and partially inventoried. Immediately following December 7, 1941, when public opinion became entirely unified and it was obvious that there would be a tremendous war production expansion, coupled with a simultaneous large-scale increase in the size of the armed forces, we promptly requested and obtained legislation to extend the age limits of men liable for training and service and to provide for an extensive inventory of the Nation's manpower.

Under the new legislation, although liability for military service is confined to the men between the ages of 20 and 45, provision is made for Selective Service to inventory all of the manpower between the ages of 18 and 65. The inventory of the men between 18 and 20 and between 45 and 65, who are not liable for service, will furnish the Selective Service System with more detailed information upon which to establish proper deferment policies. By means of proper deferment Selective Service can to a considerable extent, control proper allocation of manpower among the users, provided the individual users do not disrupt our operations and upset the proper balance by ruthlessly competing among themselves for the cream of our manpower. Control may be imposed by denying deferment to a man working at a nonessential occupation.

It is imperative that peak production be attained at the earliest possible moment so that the necessary equipment and matériel will be available not only to meet the requirements of our own armed forces, but also to assist in equipping the armed forces of our allies. We must not forget that for every soldier there must be many men working behind the lines to sustain him.

I have already called your attention to the fact that competition among the various users of manpower must be controlled or entirely eliminated. Although war industrial production must be maintained, it should not be permitted to draw

unnecessarily upon the supply of potential I-A men or upon manpower engaged in war agricultural production. In recent conferences with management and labor organizations directly concerned with essential industrial production, it was agreed that they would cooperate with us by handling their personnel expansion program in such a manner that the rosters of employees would consist of men of various ages and of various circumstances, and would also consist of a large percentage of women. An employer engaged in essential production who has such an employee pattern is not faced with a very difficult situation when it is recognized that the vast majority of his employees would be entitled to deferment for reasons other than occupational.

In this connection, too often we overlook the fact that vast numbers of the men engaged in essential activities are deferred for reasons other than occupation, namely, for dependency or by reason of physical defects. Statistics disclose that only about 3.4 percent of classified registrants are in class II, of which 2.5 percent are in class II-A, being engaged in essential nonwar civilian activities, while 9 percent are in class II-B, being engaged in essential war activities. In contrast to the small percentage of essential workers who are in class II, and particularly in class II-B, the statistics disclose that approximately 64.1 percent of classified registrants are in class III, being deferred because of dependency. In this class is found the bulk of the workers.

There is no question but that all of the various users of manpower would prefer to use for the most part young, physically perfect men. A survey of our manpower, however, reveals that there are not enough young, 100 percent perfect men to fill the total manpower requirements of all the users of manpower, if we contemplate the possibility of having an armed force of 7,000,000 or 8,000,000 men or more and the production of matériel with which to equip it and also supplement the matériel requirements of our allies.

In the near future the Army will be inducting through Selective Service men from all age groups between 20 and 45. There is no question but that some of the older men will be assigned to jobs requiring less physical strain than those to which the younger men will be assigned. There are many assignments in the armed forces that can be performed by such older men and by limited-service men just as well as by younger, 100 percent perfect men. When the armed forces required only comparatively small numbers of men, it was probably advisable to impose very high standards and take only the young, 100 percent perfect men to perform all assignments, even though some of them could be performed just as well by men who could not meet such standards.

The other users of manpower can utilize older men and women to a considerable extent, so as to relieve the tremendous demand upon the supply of younger men. Unless this is done, there will not be sufficient manpower of different ages and of different types to meet the present and long-term requirements of our war effort.

Some of the younger industries hired their employees almost entirely from among the young, 100 percent perfect men. We have been calling upon them to modify their employment practices by intermingling with their existing employees a sufficient percentage of women and also men of older ages and men who are not entirely 100 percent physically perfect. Employers who already have proportionate numbers of their employees of various ages and circumstances should not discriminate against younger men when hiring in the future, provided such employers employ proportionate numbers of various ages and circumstances.

As I have heretofore indicated, employers who have such a cross section of employees will at worst be concerned only with the replacement of a fraction of their employees, and we have assured such employers that we will cooperate to the maximum so as not to disrupt essential production, and so as to provide for making necessary replacements over a reasonable period of time. The entire concept of occupational deferment contemplated deferments of various lengths of time to take care of situations such as this.

While employers engaged in essential industrial production cannot sit complacently by and expect to be able to employ only young, single, 100 percent perfect men, we definitely recognize that the hysterical action on the part of Selective Service local boards in refusing necessary claims for occupational deferment must be prevented.

The Selective Service System has thus far acquired information with respect to the supplies of, and demands for, various types of skilled men, from all available sources, both governmental, public and private. It has recognized, however, the need for more detailed and more accurate information, which it plans to obtain from more comprehensive and intensive liaison on national, State, and local levels

with governmental, public and private agencies and organizations, and also from the occupational inventory contemplated by recent legislation. National headquarters already has direct liaison with labor and management organizations and has received the cooperation of governmental agencies and officials who are concerned with the question of manpower. Such relationships permit valuable exchange of ideas with unusual informality, facility, and speed.

With respect to the occupational inventory, a form, which we propose to use in order to obtain the initial information, has been tentatively drafted by Selective Service with the assistance of various governmental agencies interested in such a survey, and whose cooperation we have requested. After the initial information has been obtained by way of the proposed form, Selective Service intends to keep that information current by requiring the registrants of all agents to file supplemental information setting forth specified changes in status. Among other things, by keeping this information current in the local boards, we will have current information on the various matters pertaining to manpower, including migration.

We have been receiving numerous inquiries about the effect Selective Service is having on agriculture. From the best information available to us from governmental, public and private sources, on the national, State, and local levels, it seems as though there are local shortages of agricultural labor in some areas, particularly in and around the heavy industrial areas, and that the shift of farm labor to war industrial production or to the Army, Navy, and Marine Corps through their recruiting campaigns in farming areas are the two main causes of any such shortages, with Selective Service coming in a poor third.

Proper control of the recruiting practices of the Army, Navy, Marine Corps, and war industries will relieve the situation insofar as essential agricultural manpower is concerned.

People living in agricultural areas must recognize that we cannot defer every farmer, every farmer's son, and every farm hand merely because the individual happens to be engaged in the occupation of farming. The test of deferment is whether or not the products from such farm are substantially contributing to our national health, safety, and interest in providing food or raw materials which are essential for our armed forces, the armed forces of our allies, or our civilian population.

We have been giving this matter our careful consideration, and we recognize that the problem becomes more acute as increased demands are made on the labor supply by all users. We are supplementing and expanding our contacts with governmental agencies, with farm organizations and other interested groups on National, State, and local levels, which, coupled with our occupational survey, should be of material assistance in guiding our policies.

Allowance and allotment legislation has been proposed, and if enacted in proper form, it will release for induction many registrants, now deferred on the grounds of dependency, who would be contributing to claimed dependents amounts equal to or less than the amount of the allotment.

The Selective Training and Service Act of 1940 charges the Director of Selective Service with the responsibility of getting post-war employment for members of the armed forces, whether inducted through Selective Service or not.

Since the enactment of the act in the fall of 1940, we have been engaged in planning along those lines, and we have a separate division in national headquarters designated as the Reemployment Division. We had to be ready to get reemployment for the inductees who were to be released from active duty at the expiration of their period of training and service, and we actually did put our reemployment machinery into operation with respect to the men over 28 years of age who were released from active duty under the age deferment act.

In setting up our reemployment machinery, we sought and obtained splendid cooperation from the various governmental, public and private agencies and organizations. Our contemplated occupational inventory will merely supplement the forms and procedure which we were using in our reemployment program.

INVESTIGATIONS OF NATIONAL WAR EFFORT

TUESDAY, MARCH 28, 1944

HOUSE OF REPRESENTATIVES,
SPECIAL COMMITTEE OF THE COMMITTEE
ON MILITARY AFFAIRS,
Washington, D. C.

The special committee met at 10:30 a. m., pursuant to adjournment, in room 1310, New House Office Building, Hon. John M. Costello (chairman) presiding.

Present: Representatives Costello (chairman), Sparkman, Philbin, Arends, Elston, Fenton, and Luce.

Also present: H. Ralph Burton, general counsel to the committee. The CHAIRMAN. The committee will be in order.

The witness this morning is Mr. Paul V. McNutt, Chairman, War Manpower Commission.

STATEMENT OF HON. PAUL V. McNUTT, CHAIRMAN, WAR MANPOWER COMMISSION

The CHAIRMAN. Our committee is interested in deferments, as you know, primarily as the subject relates to Government and industry, which is pretty closely connected with the manpower problem. We desire to cooperate here in arriving at some common factor in the solution of the problem now before us. Anything that you can supply in the way of getting the required men to the armed forces and at the same time continuing the deferments in industry and agriculture which are requested throughout the country.

Pursuing this problem, you have recently announced the establishment of a new interagency committee to aid in solving this particular difficulty. We would appreciate it if you explain the interagency committee to this committee, its set-up, and the particular function it is designed to serve.

Mr. McNUTT. Mr. Chairman, if I may, I will give you a statement as to what we think this situation is.

Now that we are withdrawing most of the people, our young men, from the war-production and the supporting industries, we will have to find other workers to replace them, and, as the President has said, the older workers, the men and women who are disqualified for military service will have to take their places. We must therefore ask whether we will be able to effect these replacements.

The first question is: Do we have a sufficient supply of manpower to fill the gaps; and the second question is, Will we be able to find this manpower and to move it where it is needed?

In order to answer these questions, I must turn for a few minutes to the general manpower situation in which we now find ourselves.

At the present time, the manpower situation is relatively good, labor shortages are causing less damage to production now than at any time since the early months of 1943. The vast majority of war plants have been supplied with the manpower they need; most of our production programs are on schedule or ahead of schedule, including the crucially important aircraft program.

Some munitions items are behind on account of manpower, but the over-all situation is good. The magnitude of our war production is now equal to the combined war output of the rest of the world.

Moreover, the labor turn-over has been materially reduced, the quit rate in manufacturing industries has fallen from 6.29 percent in September 1943, to 4.58 percent in January 1944.

I want to make it entirely clear that in my opinion the manpower mobilization in the United States has been a success. We have found no way to reduce the task to one simple formula, and we have discovered no single panacea for solving all our difficulties; but the job has been done, and, moreover, it has been done in a thoroughly democratic manner with an unprecedented degree of participation on the part of labor, management, and the local community; and since the beginning of the defense program, the number of persons who are working in the military service has increased almost one-third, and besides the work of absorbing employment in the production work, we have added about 7,000,000 men and women to the national labor forces and almost 11,000,000 persons have been inducted into the military services. The number of women at work has risen by more than two-thirds, and employment in the munition industries, which are the backbone of the war production program, has more than doubled, rising from 4,100,000 in 1940 to 9,700,000 at the beginning of this year.

I have never thought it necessary to state that our huge war-production schedules were too ambitious from the standpoint of labor supply; I have never had to say that the armed services could not have all the men they wanted.

Manpower is short, yes, but it is short because mobilization of great magnitude has taken place and not because we failed to find some magic formula that would permit us to have our cake and eat it too.

As I have said, the labor supply situation is reasonably good at the present time. I attribute this to a combination of two factors. The first is this program which has been put into effect for critical areas and for critical industries, and the second the reduction in manpower requirements for the munition industries, which has taken place in recent months.

In the critical areas, it has been necessary to review carefully the manpower requirements as stated by the employer and to make sure that the most urgent minimum requirements are met first out of a scarce supply of labor, and for this reason in a large part of the critical areas we have succeeded with the cooperation of the War Production Board and the procurement agencies, through the programing of manpower priorities and employment ceilings, to control referrals in some 38 industry-labor market areas. Priorities are determined on the advice of the Manpower Priorities Committee, composed

of representatives of the War Manpower Commission, the War Production Board, and the procurement agencies, and these priorities govern the order of referring by the United States Employment Service and they are assigned only after an examination of genuine manpower needs in the light of production schedules, labor utilization, and employers' specifications.

Employment ceilings are established by the War Manpower Commission in order to set a permissible limit on the total employment in designated establishments or the activities of war activities within a labor-market area. The purpose of ceilings is to bring employment into conformity with the available supply of workers in order to achieve a manpower balance in that area.

Employment ceilings for war plants are set on the basis of the manpower needed to meet production schedules. They may be set for an indefinite period or a limited or a specified period in the future.

The standards and procedures followed in any area are devised in the light of its particular manpower problem, and this device is now being utilized in 29 labor-shortage areas. Experience has shown that employment ceilings are extremely useful, not only in achieving the manpower balance, but also in reducing turn-over by means of limiting the number of employment opportunities.

The third aspect of manpower allocation is controlled referral, under which workers may be hired only upon referral by the Employment Service or by some other authorized referral agency. Controlled referring insures that qualified workers are directed, as far as possible, to jobs which must be filled in essential establishments. Certain classes of workers, such as those included in the list of critical occupations, are subject to controlled referral. In addition, controlled referral is required for workers in 14 areas, the male workers in 11 areas, and workers in essential activities in 73 areas.

Increased emphasis on effective manpower utilization is an integral part of our program. In critical labor market areas, utilization studies by industry consultants of the War Manpower Commission, of which more than 1,500 have been completed, have often been the basis for a reduction in employment ceilings, and a consequent saving in manpower.

Our regulations providing for a minimum 48-hour week in shortage areas have likewise resulted in a considerable reduction in labor needs with attendant benefits to civilian activities, as well as to war production.

This may not be the time to provide a detailed account of the results of these programs. As an example, I might cite the developments on the west coast, where a severe manpower crisis has been definitely alleviated in recent months as a result of employment ceilings. The number of workers in west coast shipyards is now less than in the fall of 1943, and large anticipated requirements have been drastically scaled down; and similarly, employment in the west coast airplane plants has been considerably reduced with no deleterious effect upon production, and as a byproduct of this development, the turn-over rate in the Pacific coast shipyards fell from 12.3 percent in August to 8.3 percent in December. In aircraft plants the turn-over rate fell from 7.5 to 5.8 percent over the same period.

Many other areas might be cited in which future labor requirements have been lopped off, overstaffing has been eliminated, and turn-over

has been reduced, such as Buffalo, Hartford, Dayton, Indianapolis, and Louisville.

The second factor in the manpower situation is that the labor requirements in the munitions industries have been reduced somewhat, and ships, planes, and other materials are being turned out with a smaller input of manpower than formerly was necessary. In addition, the number of production programs has been curtailed by the procurement agencies during the past few months, including firearms, ammunition, machine tools, aluminum, and magnesium, and for these reasons manpower requirements in the munitions industry have fallen off to some extent from 9,700,000 in November to 9,600,000 in December and 9,500,000 in January, 9,400,000 in February, and there has been a fairly sharp increase in the lay-off rates in these industries, compared with the lay-off rates during most of 1943. Lay-offs have been heaviest, of course, in those munitions industries where production programs have been cut back. As a matter of fact, our most critical manpower shortages today are largely outside the munitions industries. They are found in such supporting activities as railroads, lumber, coal, and cotton textiles, and although these industries are somewhat removed from direct munitions production, and from contract procurement, they must have the close attention in the manpower program.

In the lumber industry employment has been dropping steadily for more than 2 years. We need more than 40,000 additional workers for our bituminous coal mines in order to meet the 1944 requirements of 620,000,000 tons.

The situation on the railroads is illustrated by the fact that 85,000 men are listed on the replacement schedules for induction by July 1, and because of declining employment in the cotton textile industry, it is believed that the total output during 1944 will be at least 10 percent below estimated requirements.

Now that this background is located, answering the questions that I mentioned a few moments ago—the first question was: Do we have the manpower to replace the men who will be inducted? Aside from the skills which are irreplaceable, we do have the manpower.

The second question was: Can we find this manpower and move it into the jobs where it will be needed? On the whole I feel reasonably confident that this can be done. After all, we have been replacing men in industry for a good many months. One year ago the rate of induction was much higher than it is now. We are better equipped to know the facts and the labor demands than when we started; we have an effective mechanism for interarea recruitment and to transfer the workers to any critical areas. We have set up machinery to locate the urgent needs and to channel the workers into those jobs. I must point out, however, several factors which will make the replacement job unusually difficult from now on.

In the first place, the military services will be taking the kind of men for whom replacements are most difficult to find. What the Army and the Navy need most is physical fitness, and this is precisely what is needed in many jobs which are essential to the war production program. In addition, we must allow for future military demands. No one can predict with certainty what this demand will be. We know that further drains on our supplies of manpower will be necessary to provide replacements for our armed forces even

after the net strength is reached in July. We know also that we must be prepared to shift quickly from one line of production to another, expanding in one area, and while contracting in another area.

In the second place, essential jobs will no longer be protected by occupational deferments, as has been the case thus far. Up to now we have been able to reserve from military service large numbers of men employed in essential activities and in essential occupations. Those under 26, for the most part, must go, and there is every probability that at a later date the age below which occupational deferment will be denied or seriously restricted will be raised from 26 to 28 or even to 29. The Selective Service System will not be drafting any more men than we originally anticipated, but they will be different men. This program will make heavy inroads into the pool of our manpower supply, and into essential war production and supporting activities which have so far been accorded some measure of protection.

In the third place, we will have to find replacements for industries which are unattractive to the worker, and therefore are understaffed, at the same time as we are attempting to raise employment levels in those industries.

As our labor reserves have dwindled, it has become increasingly difficult to find workers for the hot, heavy, and dirty jobs, for the low-wage jobs, for the geographically isolated jobs.

Lacking power to assign labor directly to specific employments, we have naturally met our greatest difficulties in connection with these unattractive jobs; but as I mentioned earlier, our most pressing manpower shortages today are found in industries of this type, and I would also mention that the civilian psychology is not going to make this manpower job any easier. Notwithstanding the certainty of better days ahead, or the prophecies of the military authorities of the Nation that the war's end is just around the corner and that peace and the resumption of civilian production are soon to be here, have greatly affected the attitude of many workers toward war jobs. Every production cut-back, and certainly every prediction of the military leaders that the war's end is only a few months ahead, every discussion of the resumption of civilian production, moves many war workers to leave war jobs and seek a place in civilian production and makes more difficult the task of recruiting workers from nonessential to essential activities.

During the recent meeting here of the regional directors, representing all the 12 regions of this country, the opinion was unanimous to the effect that as a result of these things the manpower job for the next 6 months at least will be very difficult in two respects.

First, in respect of the retention of workers in essential war industries, and second, with respect of the recruiting of workers for such industries. Instance after instance was given of a marked exodus of workers from essential war industries following large cut-backs in certain areas, and also following rosy prophecies as to the end of hostilities. We must recognize that these psychological problems will make the task more difficult, even though the statistical requirements are much easier.

Our task in the months ahead is clear. We must hold on to needed workers in essential and vital industries; we must be able to shift

workers as quickly as production demands; and we must recruit replacements for those who enter the armed forces, or who, for other reasons, leave the labor market, and in view of the developments of the military and civilian authorities to which I have called your attention, the question which naturally arises is this: Will the present manpower policy which, as we have noted, is based on the theory of the minimum of mandatory powers and the maximum of reliance upon voluntary cooperative action, prove adequate to meet the urgent and imperative demands which may lie ahead? We might as well put to ourselves this searching question: Is it the part of wisdom to approach this challenging, crucial period without putting ourselves in a position which will assure quick, certain, and speedy action, assure quick shifts from one productive activity to another, from one job to another, from one area to another, and meanwhile assure the retention in essential war work activities of the full quota of war workers?

With respect to our policy, the question is this: Should the authority of the War Manpower Commission be augmented by the power of compulsory assignment of workers to meet emergency demands?

In raising this question I have assumed the retention of the manpower processes which have been applied, and I think applied so successfully. Up to the present time I would be unalterably opposed to the abandonment of those processes. We should continue to put the emphasis on the voluntary and cooperative action; we should by all means preserve the plan for cooperation between management, labor, and agriculture through committees representing those interests. It would be nothing short of tragic to throw away the work done by these committees and set up a plan of manpower mobilization which puts the emphasis upon direct control and compulsion rather than upon cooperation of management, labor, and agriculture. That would be a substituting of military or bureaucratic processes for the democratic; it would be to invite the noncooperation, and in all probability the hostility of labor generally and perhaps of management and of agriculture, instead of inviting the possible sharing through cooperation.

The sound and sensible thing to do is to build on the foundations that have already been laid and to appropriate what is good and worthwhile in the program that for 2 years has been operating, and to correct and supplement it in such particulars as may be deemed necessary to guarantee the accomplishment of the things which may be necessary in the more critical period that lies ahead.

Whether the power of compulsory assignments, limited and restricted for the purpose of meeting critical and emergency situations, is to be provided for is for the Congress to decide. In the absence of such authority there may be real merit in the proposal that some method be formed for directing the services of men of military age who have been rejected for military service, and thus providing an available pool of manpower to fill necessary jobs when replacements cannot be obtained in any other way.

There are over 3,000,000 men between the ages of 18 and 37 who have been rejected as unsuitable for military service, and have been classified in 4-F. Many of these men have been rejected because of ailments which would in no wise disqualify them from essential employment. Notwithstanding, this group of men at the present time does not have the legal obligation to serve the war effort. Not

only are they relieved from military service, but they have no compulsion to seek employment in an essential activity, and merely because of the accident of physical condition, these men are free agents to a unique extent.

It should be emphasized that a majority of these men in the 4-F class are already working in essential activity. However, it has been estimated there are more than 500,000 employed in wholesale and retail trade, more than 300,000 are engaged in the service industries, and a substantial number are students in educational institutions. Some 50,000 are employed in finance, insurance, and real estate. There is much to be said for a measure which would extend the compulsion to serve to this sector of the 18-37 group and make it possible to transfer some of these men into jobs where they will contribute more. The vast majority, I am sure, would see the justness of such a policy and would welcome it. Like everyone else, they want to serve where they can do the most. They do need guidance; they do need uniform treatment, so that not even a small minority will be able to evade their duty.

In my opinion, this problem could be handled fairly simply. The 4-F's in essential work could be granted occupational deferment if the Army were willing to induct these men. The 4-F's not in essential work could be inducted and given the option of returning to civilian employment in the enlisted reserve, or the Manpower Commission should be given the power to direct these men into essential jobs where manpower is needed. Through the United States Employment Service the Commission could maintain records of their services, and those who are not willing to remain in essential jobs would have to be recalled to active military service for non-combat work.

The CHAIRMAN. Does that conclude your statement?

Mr. McNUTT. That is right.

The CHAIRMAN. You have given us no comment, of course, upon the interagency committee that is being set up. I wonder if you would care to do so at this time?

Mr. McNUTT. I think you understand that when the memorandum of February 26 was issued it disturbed those who are engaged in production for war. It disturbed me, and the thing that I am interested in and the thing this committee was formed for, was to make certain that we save those who are irreplaceable in this group below 26. That is the whole purpose of the committee. It meets this week, and I hope it will accomplish its purpose.

I do not know what claims are to be made; I do not know how many of those who are necessary can be saved for the purpose of war production, but that is what this committee is for.

The CHAIRMAN. How does it function in regard to industry, and possibly in some cases agriculture? Is it the same—

Mr. McNUTT (interposing). Mr. Chairman, it must cover the whole field. The original proposal was that it would have to do only with those things which are in war production as such. I have felt that in the supporting industries, that is, transportation, coal and—well, only yesterday, the Federal Communications Commission called me to ask that they be brought in—there are many things necessary to the conduct of the war that do not happen to be, for example, under the control of the War Production Board. I thought that there should be some

place, and as I understood General Hershey, he so felt that there should be one place where a decision should be made and then transmitted to him.

The CHAIRMAN. That decision would not necessarily be binding upon the Director of Selective Service?

Mr. McNUTT. No, it is not binding upon him. It is a matter of advice. There is one man who can direct him. I don't happen to be he, but I can transmit this decision to him.

The CHAIRMAN. How is this interagency committee going to be established? Will it come through an Executive order, or will it be a part of the War Manpower Commission?

Mr. McNUTT. No, it is a matter of agreement between the agencies themselves.

The CHAIRMAN. It is an independent agency, and not a part of the War Manpower Commission?

Mr. McNUTT. It is a part of the War Manpower Commission actually.

The CHAIRMAN. In other words, you will be in there as a representative, and you will have all these other agencies—

Mr. McNUTT (interposing). I will be the chairman of the committee.

The CHAIRMAN. And all members will have an equal vote, I presume, in determining the decision, and matters of that character—or are those details yet to be determined?

Mr. McNUTT. No, they will have an equal voice, not a vote.

The CHAIRMAN. You spoke of your committee here covering a wider scope than originally intended, and you will cover all manpower problems.

Mr. McNUTT. That is right, because I have it anyway.

One reason I objected to the original suggestions which had been made was that I felt that everybody should be represented in this, that is, all who contribute to the war effort.

The CHAIRMAN. Would you also go into the questions of materials and allocations?

Mr. McNUTT. No, we do not touch that; that belongs to W. P. B.

The CHAIRMAN. Through W. P. B. you would get information from them concerning their requirements?

Mr. McNUTT. That is right; we have asked them to bring the information in and put it on one table and let us know what they have to have, in order to do this job.

The CHAIRMAN. The committee will then correlate the information regarding Army and Navy needs for production?

Mr. McNUTT. That is right.

The CHAIRMAN. And manpower and the whole thing?

Mr. McNUTT. That is right.

The CHAIRMAN. I presume that the decision, or whatever you have indicated, would be made by this interagency committee primarily for the Selective Service?

Mr. McNUTT. Will be transmitted to the Selective Service, that is right.

The CHAIRMAN. In the main, of course, it would be somewhat like the review committee for the Government offices, though the local board would not be obligated to accept the statements made—

Mr. McNUTT (interposing). I think, as I understand it, they are asking for help in this regard, and if I were they I would be asking, too.

The CHAIRMAN. That is a field in which I think undoubtedly a great deal of study is required in order to work out a program of what is justified.

Mr. McNUTT. There has been a great deal of study. After all, Mr. Chairman, for 2 years we have been doing this job.

The CHAIRMAN. You indicated that there had been a definite reduction in the turn-over problem in industry?

Mr. McNUTT. That is right.

The CHAIRMAN. Do you feel that is only a minor factor in the problem, or is it the main factor?

Mr. McNUTT. It is one factor; there are many factors, Mr. Chairman. We are dealing with human beings. Now, whether or not a person leaves employment and what reasons are given for leaving employment are things that we have had to deal with and will continue to deal with. There are women who are going back to their homes, for example, as I have indicated in the statement to the committee—there are people who are thinking about their post-war employment—not their war employment—right now. All create difficult problems, but they are problems with which we have been conversant for a long, long time.

The CHAIRMAN. Will you state whether the drafting of men into the services is a bigger problem than the one created by reason of the turn-over, and tell us how large a number? Does the number of men for the armed services—

Mr. McNUTT. No, I don't think so; I think the problem of turn-over is smaller.

The CHAIRMAN. The turn-over, then, is the matter we face at this time?

Mr. McNUTT. No; we are down below the actual—today, we are down below the normal turn-over.

The CHAIRMAN. At the present time, you indicated in your statement, so far as the 4-F's are concerned, those persons in the 38 and 45 groups and so forth, not being subject to control through Selective Service—you have no direct control over them?

Mr. McNUTT. That is right.

The CHAIRMAN. Purely a case of voluntary action on their part?

Mr. McNUTT. That is right.

The CHAIRMAN. Do you believe some sort of control should be placed over them, or do you think it can be handled on a voluntary basis?

Mr. McNUTT. As I said, the Congress can, if it desires, give us more authority over them, and it might be helpful. But, even beyond that, do not forget that many of these men are in industry today; they are not all out—there are some who are, but I cannot believe that the

average American citizen is the kind who wants to escape his obligation. He would like to work in the war effort if he could. Many of these 4-F's are in war work.

It is true there are no controls over them. One thing could be done. The Army could take them in and furlough them, just as they furloughed the men who went into nonferrous mining. We asked them for it, and we got it.

The CHAIRMAN. The Army already has that system in a number of cases?

Mr. McNUTT. That is right.

The CHAIRMAN. In the aircraft industry likewise?

Mr. McNUTT. In the aircraft industry, no; not so much in the aircraft industry. That was a matter of postponing induction.

The CHAIRMAN. Some of them—

Mr. McNUTT (interposing). Don't forget that last fall the Army asked us not to induct those people who were in airplane manufacturing on the west coast.

The CHAIRMAN. Actually, they did release some of the men in the service back to industry.

Mr. McNUTT. Not so many; there have been a few instances of that kind, but outside of the nonferrous metals, not so many.

The CHAIRMAN. At the present time, the only control you have over these 4-F's and the overage group is your certificate of availability, isn't it?

Mr. McNUTT. That is right, and that most of them happen to be employed. If they are not working, we haven't any control.

The CHAIRMAN. To what extent have those certificates proved useful?

Mr. McNUTT. They have been very satisfactory, Mr. Chairman. The thing has worked, actually.

The CHAIRMAN. It was indicated to me last summer in San Francisco, for example, that through the cooperation of the labor unions and employers, the certificate system was serving a very useful purpose; but it was indicated that in Los Angeles it was not operating as satisfactorily.

Mr. McNUTT. That may depend upon the community itself, Mr. Chairman. I was in Louisville not so long ago, and there it is working perfectly. I was in Meriden last week, and there it is working perfectly. If labor and management and the community will work together, they can solve their problem, and wherever they have worked together, they have solved the problem.

The CHAIRMAN. Speaking of Meriden, I understand that there are quite a large number of persons there who are receiving unemployment compensation?

Mr. McNUTT. No; not in Meriden.

The CHAIRMAN. In the general Hartford area.

Mr. McNUTT. No; not in Hartford. I understood you were going to ask some questions, and I will tell you it has been remarkable, what has happened in that particular instance. There are 500 there, that is less than 1 percent—less than one-half of 1 percent—July 1942, we had 3,197,000 claims, active; now, they are down to 542,000 the country over. Now, that is out of a labor force, mind you, of more than 54,000,000.

The CHAIRMAN. Figures have been given to me that they apparently had a labor shortage of about 900 there, yet about half that number of people were actually receiving unemployment compensation.

Mr. McNUTT. There are many things that may account for that. There may be a cut-back in a plant and a person who happened to be employed in that plant might apply. Were those applications or were they grants? They should not be grants. If there is a job for that person to fill, there should be no grant. My guess is those were applications.

The CHAIRMAN. My understanding is that they were receiving payments.

Mr. McNUTT. The record, Mr. Chairman, is remarkable. As a matter of fact, what has happened in this thing, from July 1942 to date, from 3,197,000 down to 542,000, is a real reduction.

The CHAIRMAN. It does seem difficult for me to understand how there could be a need for labor, and at the same time have a large amount of labor actually receiving unemployment compensation.

Mr. McNUTT. As I say, I am not sure they are actually receiving it, and I should like to have the chairman let me know whether or not these are applications or whether they are grants. That is up to the States to determine. My guess is those are applications. There are many things, of course, that come into that. There might be a short seasonal lay-off. Even so, if there is a lay-off, it does not follow that the worker should claim compensation. If he cannot find a job to do, then, all right; then, I think that the application should be granted. But my guess is, Mr. Chairman, that what you have in front of you happens to be in the form of applications, not grants.

The CHAIRMAN. I don't know whether Congressman Miller is here or not. He may be able definitely to inform the committee whether those are applications or actual payments. It is my understanding that they were actual payments.

Mr. MILLER. Mr. Chairman, those that I turned over to you were actual payments. I also turned over to you a ruling of the Connecticut unemployment commissioner that under Connecticut law he had to pay those claims when a man did not want to go 18 miles away to Bristol, and the War Manpower Commission refused to give him another referral. I have the decision in my office—

Mr. McNUTT (interposing). All right.

Mr. ARENDS. I wonder if he has turned those cases up here—

Mr. McNUTT (interposing). The Connecticut unemployment commissioner, by his decision, indicates to you that under the Connecticut law, where a person is laid off and refuses to go 17 miles away to Bristol to accept a job in a ball-bearing industry, while he is staying in Hartford idle, is being paid. Will the Congressman be kind enough to give me the names of these people? I will see to it that something is done.

Mr. MILLER. They are a public document in your own department. Mr. Fitzgerald's office has them.

Mr. McNUTT. I understand that, but, after all, they are not here.

Mr. MILLER. I will be glad to submit them.

Mr. McNUTT. I will be very happy to have them.

Mr. MILLER. You want the names of all those receiving unemployment compensation?

Mr. McNUTT. That is right.

Mr. MILLER. I will be very glad to give them to you.

Mr. ELSTON. Mr. Miller, do you know whether or not the same situation prevails in any other State?

Mr. MILLER. I am not so familiar with the laws of the other States.

Mr. McNUTT. The construction industry, Mr. Chairman, of course, has put many men on these rolls, because construction has gone down—the amount of construction—you understand that?

The CHAIRMAN. In the State of Massachusetts, I believe in January, 4,172 were receiving payments, as of the last week of February, and as of the last week in January, 4,439 were receiving payments.

Mr. McNUTT. That is comparatively small, Mr. Chairman, for a State of that size and the number of people employed—

The CHAIRMAN. But at the same time—

Mr. McNUTT (interposing). Of course, under the State law, Mr. Chairman, the State itself defines suitable employment.

The CHAIRMAN. At the same time, around Boston, for example, you have a critical manpower shortage there.

Mr. McNUTT. Precisely; but we are talking about the whole State of Massachusetts, I understood.

The CHAIRMAN. I do not know the specific figures for the Boston area.

Mr. McNUTT. That is a comparatively small number for as many people as would be employed in that State.

The CHAIRMAN. What explanation do you have, Mr. McNutt, for people not going to work when work is available, but instead are applying for and receiving unemployment compensation?

Mr. McNUTT. I have not any explanation for that. As I say, it may be like the construction industry—they are out. I think you know we have only a few, comparatively, working in that industry.

Mr. PHILBIN. What explanation do you have—

Mr. McNUTT (interposing). As I say, the State itself defines suitable employment for those people; we do not.

Mr. PHILBIN. What explanation do you have for that in your organization, the War Manpower Commission, refusing to give people releases so that they may go to work? I mean, we have had complaints here that the War Manpower Commission has refused to give releases that would enable certain people to go to work?

That is the basis, so I understand, of the Unemployment Compensation officials in Hartford, Conn., for denying applications.

Mr. McNUTT. I don't know.

Mr. PHILBIN. Would there be any reason why you should refuse to give a release to permit people who are laid off from employment in Hartford, for example, going to work in a very important ball-bearing industry in Bristol?

Mr. McNUTT. We have been trying to get them into that very important ball-bearing industry in Bristol.

Mr. PHILBIN. Now, is it or is it not a fact that your agency has refused to give releases to persons who would be available to go to work in Bristol?

Mr. McNUTT. That, of course, I don't know. I am not there.

Mr. PHILBIN. I am just trying to elicit information, Mr. Chairman.

Mr. McNUTT. After all, we are trying to get those people into work that has to be done. Connecticut, of course, has been a very critical area.

Mr. PHILBIN. So far as you know, your agency has not refused to give a release to persons who are out of employment to go to work in Bristol.

Mr. McNUTT. Of course, I am not there, but I have delegated to our people all the authority there is to try to get this thing done. If there are cases of that kind I should like to know of them. I was in Connecticut last week, and the Governor did not say anything about things of that kind. Our regional director was at the meeting, and he didn't say anything. I would be very glad if you would submit any cases of that kind.

Mr. PHILBIN. We have some evidence—

Mr. McNUTT (interposing). I think it would be on the other side.

Mr. PHILBIN. My question was for the purpose of eliciting information in the light of the evidence that we have, of complaints about the failure of your agency to give releases so that persons may go to work in another industry.

Mr. McNUTT. The sole point would be to hold them to the essential type of work they were doing; that is the only reason why a release would not be given.

Mr. PHILBIN. When they are let out of a job—whether it is essential or not—they are let out; then there is no reason why they should not get a release.

Mr. McNUTT. No; if they are discharged they can get it.

Mr. PHILBIN. We have, for example, a report here that one company, because of cut-backs, released a number of employees who were refused permission to work elsewhere and are now drawing unemployment compensation under the State law. That is one case, a Connecticut case.

Another plant which, because of cut-backs, released nearly 200 employees, 77 of whom had not been working in Hartford for a month.

Mr. McNUTT. Well, if you will let me have those instances, I will be very glad to make a full investigation.

Mr. PHILBIN. I think they ought to be carefully investigated.

Mr. McNUTT. I quite agree.

Mr. PHILBIN. Because I can see no necessity at this time why anybody should be idle while we have such critical labor shortages.

Mr. McNUTT. There is no reason for it, and I cannot think that our own people there, who are so very anxious to get those who are necessary, would be doing anything of that kind. I should like to have those records.

Mr. PHILBIN. So far as you know, your agency has not held up such releases?

Mr. McNUTT. No.

Mr. MILLER. Mr. Chairman, I should like to clarify that, and I think we should carry that to its conclusion. The cut-back mentioned in that memorandum refers to 77 people who are drawing unemployment compensation, and they are drawing it because they did not

want to go to Bristol. They can get jobs in Hartford, near their homes, but they are not allowed to accept them because the War Manpower Commission will not give them a release.

Mr. McNUTT. Trying to send them to Bristol?

Mr. MILLER. Yes.

Mr. McNUTT. Why shouldn't we?

Mr. MILLER. Under the Connecticut law, we have got to pay them unemployment compensation if they do not want to go to Bristol.

Mr. McNUTT. I am sorry the Connecticut law is that—

Mr. MILLER. They have a job in an essential defense industry in Hartford.

Mr. McNUTT. That is all right, but it is more important for them to be in Bristol in that case.

Mr. PHILBIN. Well, is that the case?

Mr. McNUTT. If they told them so, it is.

The CHAIRMAN. The result, I suppose, Mr. McNUTT, is that you might have several hundred men who have been released from employment in Hartford—

Mr. McNUTT. That is right.

The CHAIRMAN. And who decline to work in Bristol.

Mr. McNUTT. That is right.

The CHAIRMAN. They were remaining idle and contributing nothing, but at the same time—

Mr. McNUTT. That is a very bad situation. I feel that the State compensation people could be helpful in refusing, in cases of that kind. What we are interested in is getting these people on to jobs where they are needed. If they happen to be needed in Bristol, if it happens to be for a ball-bearing plant, some little inconvenience on the part of those who go makes no difference.

The CHAIRMAN. In other words, if there is some definite reason, however, why they should not go to Bristol, then the U. S. E. S. can give a certificate of availability?

Mr. McNUTT. Certainly; our people are not arbitrary in a thing of that kind. We have the job of getting the people for the needs that have to be met.

The CHAIRMAN. Actually, those who decline to go to Bristol, for example, and therefore refuse the opportunity for employment, are not given a certificate, and they may remain idle for 60 days, and then they obtain a certificate automatically after the 60 days.

Mr. McNUTT. Yes, if they really stay idle for 60 days.

The CHAIRMAN. Of course, if they get employment compensation during the period—

Mr. McNUTT. I say, that is one point where we think the State unemployment compensation commission should do some work.

The CHAIRMAN. That is pretty universal, is it not, at the present time?

Mr. McNUTT. No, I don't think it is. I would have to answer that categorically no, Mr. Chairman.

The CHAIRMAN. I mean originally the time for waiting was only 30 days.

Mr. McNUTT. That is right. But what happened, we found some people who were pirating workers and paying the 30 days' pay, and that is the reason for raising it to 60 days—one reason.

The CHAIRMAN. As I understand the operation of the 60-day period, if any leave might have accrued to the worker, say a Government navy-yard worker, he would not be able to take that leave during the 60-day period and receive pay for it; yet he would still be considered unemployed, so far as unemployment compensation is concerned?

Mr. McNUTT. That I don't know. That is up to the State.

The CHAIRMAN. The War Manpower Commission has nothing to do with the change from that 30-day period?

Mr. McNUTT. Of course, we made it 60 days just because of some of those abuses that were taking place.

The CHAIRMAN. As I understand it, under the 30-day provision, in the case of a person who had been a Government worker and was not entitled to take his leave, that unemployment period would start with the leave and terminate on the day when he terminated employment.

Mr. McNUTT. Mr. Chairman, that I don't know.

The CHAIRMAN. The article I am reading indicated that the Manpower Commission was responsible for that change.

Mr. McNUTT. We have been blamed for a great many things for which we are not responsible, and we have not had the credit for many things for which we are responsible.

The CHAIRMAN. That is why I asked that particular question. I was wondering whether your agency actually had any part in the change in method of computing unemployment.

Mr. McNUTT. No.

The CHAIRMAN. You are not responsible for it? It should not be held against your organization?

Mr. McNUTT. That is right.

Mr. PHILBIN. If you find these releases are being withheld under the circumstances that I have described here—

Mr. McNUTT (interposing). Why, yes, I would like very much to have that information.

Mr. PHILBIN. There will be no suggestion that, in order to force labor from the Hartford area into the Bristol area where there is an important ball-bearing industry and where they have a critical labor shortage, you are withholding these release certificates and thereby forcing the Hartford labor onto the unemployment compensation rolls?

Mr. McNUTT. We are certainly not forcing any labor onto the unemployment rolls in any place.

Mr. PHILBIN. That is not being done?

Mr. McNUTT. Of course not, but they should go to Bristol.

Mr. PHILBIN. Of course, the practical effect of that would be that you are holding up these releases because you want people in Bristol—

Mr. McNUTT. That is right.

Mr. PHILBIN. And these people are not permitted to work in Hartford, so that they would have to go onto the unemployment compensation rolls.

Mr. McNUTT. If that is what has happened—and I don't know that it has—the report has never been made to me. You are talking to me about something that I have not been confronted with, even in Connecticut.

Mr. PHILBIN. You have never been called upon to pass upon this question?

Mr. McNUTT. Of course not.

Mr. PHILBIN. If you are called upon to pass upon it, you will try to adjust it?

Mr. McNUTT. Certainly. Those people are needed in Bristol, and that is where they should go.

Mr. PHILBIN. Would you go so far as to say you were sending them there by denying a release to work in Hartford?

Mr. McNUTT. That is right.

Mr. PHILBIN. I mean, if they are working in an essential industry in Hartford, or can procure jobs—

Mr. McNUTT (interposing). That thing would not happen.

Mr. PHILBIN. I understand it has happened. I am speaking merely from complaints that have come to us. I am not taking the responsibility for the facts.

Mr. McNUTT. If you will let me have those cases we can take care of any one of them.

Mr. PHILBIN. I understand by your last answer that you mean to convey to this committee that, if you find that men released from the airplane factories in Hartford are available for employment in Bristol, you will, in order to get them to go to work in Bristol, refuse to release them for the purpose of working in some other essential industry—

Mr. McNUTT (interposing). No, wait a minute. Not in some other essential industry.

Mr. PHILBIN. I take it—

Mr. McNUTT. Not in some other essential industry. You put the question unfairly.

Mr. PHILBIN. I did not mean to put it unfairly, so I will withdraw it; I will reframe it. I mean this—

Mr. McNUTT. You put it unfairly, because what we are trying to do is to put the right man in the right place at the right time.

Mr. PHILBIN. I understand that.

Mr. McNUTT. That is the particular thing we have in mind, and we are not trying to do anything else.

Mr. PHILBIN. You know that your agency has followed the policy, with regard to reemployment of a worker, of denying him his release in Connecticut, which, in practical effect, results in forcing the man either to go to work in Bristol or to go onto the Hartford unemployment compensation rolls.

Mr. McNUTT. No, I don't know that; we don't want them on the unemployment compensation rolls by any means, but we do want them in Bristol. Now, we will go as far as we can to get them in Bristol, and we have to have those bearings, and if we do not have the bearings, we do not manufacture a lot of things we have to have.

Mr. PHILBIN. You have a real critical shortage in the ball-bearing industry?

Mr. McNUTT. That is right. It is one of the very critical shortages.

Mr. PHILBIN. You are trying to alleviate that. That is the idea behind your policy in that area?

Mr. McNUTT. Of course, as I say, we are not trying to keep people out of work. We are trying to put people at work in the things that they should be doing.

Mr. PHILBIN. Of course, I think you will concede that it is in effect forcing these people either to go to work in Bristol or go onto the unemployment compensation rolls—

Mr. McNUTT (interposing). It should not be if the State unemployment compensation will really look at what it is doing and try to work with us as we try to work with it.

Mr. PHILBIN. You are trying to work out a situation whereby you can get these essential workers in the Bristol area?

Mr. McNUTT. That is right.

Mr. PHILBIN. If there are any injustices there that you are aware of, you will have them adjusted?

Mr. McNUTT. If you will let me know, we will take care of anything that can be taken care of. We are not trying to create a situation of that kind any place.

Mr. PHILBIN. I suggest, Mr. Chairman, we forward Mr. McNutt the information we have.

Mr. McNUTT. I would be very happy to have it.

Mr. PHILBIN. And Congressman Miller do likewise.

Mr. McNUTT. I will be glad to have it, and I would like it from Congressman Miller.

Mr. MILLER. You can get them easier than I can. They are all matters of record of the Unemployment Compensation, and I am sure your office can get them much easier, because I think we are in agreement that a situation has been created where a man who won't go to work in Bristol is thrown onto the Unemployment Compensation rolls. That is my contention.

Mr. McNUTT. Remember, too—

Mr. MILLER (interposing). If they won't go to Bristol, and there are jobs in Hartford, I think they should be allowed to take the jobs in Hartford.

Mr. McNUTT. If there are jobs in essential activities.

Mr. MILLER. You are making essentiality the criterion?

Mr. McNUTT. Yes.

Mr. MILLER. I have cases of that kind, where jobs are offered—

Mr. McNUTT (interposing). I understand; but after all, don't forget that the people in the U. S. E. S. have no axes to grind in this at all.

Mr. MILLER. No; I am saying that they are forcing them onto the ball-bearing industry, and it is perhaps justified, but there is no legal way of forcing them, and I object to their doing something illegal.

Mr. PHILBIN. Of course, there is another effect which is that they are idle in the meanwhile, while we have all these critical labor shortages, and I am sure, Mr. McNutt, from what you say, you are prepared to remedy these conditions, if they are shown to exist.

Mr. McNUTT. That is right—correct.

The CHAIRMAN. Actually, Mr. McNutt, this is the one means of compulsion you do have in trying to funnel or channel these people into essential industry?

Mr. McNUTT. That is right.

The CHAIRMAN. And the cases that Mr. Miller cited, while I think it would indicate there might be abuses of that kind—

Mr. McNUTT (interposing). If there is any abuse, all I want to know is where it is, and I will correct any abuse.

The CHAIRMAN. In a situation of this kind, where your own representatives solicit housewives—

Mr. McNUTT (interposing). I want to say again, we have handled a great many million people, and there have been few abuses. I would have known had there been abuses. If you have evidence on that, let me know.

Mr. PHILBIN. I must say for my part, in my own State of Massachusetts, I have heard of no abuses whatever specifically in regard to your operations; but we do have this evidence from Connecticut, and I think it ought to be looked into very carefully.

Mr. McNUTT. I know, Connecticut has been and is a very critical situation, and that was one reason I took the time to go up there last week to talk to these people, talk to the Governor, and talk to the employers. That is the reason I was there.

The CHAIRMAN. One case I would like to call to your attention. Mr. Miller has submitted the case of a company which, through its own representatives, solicited housewives in the immediate vicinity of the factory, discovered 46 who were willing, because of the proximity of their homes, to enter into contractive employment which would enable them to put in a full day, after they had sent their children off to school before 8 o'clock in the morning, until they got home to receive them, just before 5 o'clock. The U. S. E. S. and the Manpower Commission refused to issue certificates of ability to these women to work in that particular factory. The result—they are not working.

Mr. McNUTT. They have the right to appeal.

The CHAIRMAN. To whom?

Mr. McNUTT. There is nothing arbitrary about this thing at all; there is a right of appeal by the individual to the local committee, then, if necessary, to the regional committee, and then it can come here. I will have to say to you that there have been, out of all the cases handled, no more than 50—55 appeals the country over that have come to this level, but there is the right. It is not difficult to appeal; nothing complicated about it.

The CHAIRMAN. It is not indicated what business this particular company was in, but it would seem to me, where women are close to a factory and you are engaging women with children, it would be much more satisfactory to let them work, even though you might try—

Mr. McNUTT (interposing). My guess is that there is an answer, Mr. Chairman, to any case of that kind, because there is nothing arbitrary about the operation we have at any level; and I should like to know about that case, too.

The CHAIRMAN. Another example cited, in the columns of the Hartford Times under date of March 7, an employer given permission to advertise states that he curtailed a 3-day advertisement in 2 days, because he was able to recruit 25 people from Hartford, the sum total that he needed. The manufacturer involved is quoted as saying that some of the applicants who responded had been hanging around the U. S. E. S. a couple of afternoons for hours at a time, and they carried their registration card from the U. S. E. S. to prove it.

The question arises, why were not these men assigned to this particular factory, if the factory was given the right to advertise for help?

Mr. McNUTT. Well, may I read a paragraph from a statement here?

Between December 6, 1943, and March 11, 1944, 1,400 people were referred to nonmanufacturing establishments by the Hartford Employment Service Office alone. Now, at the present time, there are over 4,000 jobs open in 56 firms with manpower priority listing to which referrals can be made. In the other localities covered for central Connecticut's program, there are an additional 4,500 orders for priority manufacturing firms and for locally needed establishments below their approved ceilings. Now, that makes a total of 8,900 jobs immediately available in the central Connecticut area through referral by the U. S. Employment Service. Now, only a small part of all of the available jobs are with the ball-bearing plants as such.

Mr. PHILBIN. What is the shortage in round numbers now in the ball-bearing plants? Do you have that available?

Mr. McNUTT. If you will accept my memory only, it is around 5,000. Of course, the ball-bearing industry, Mr. Congressman, is handled by about 11 plants in this country, mostly in the Connecticut Valley, some north of Philadelphia, and a couple in Ohio. It is a shortage right now, and we need ball bearings very badly.

Mr. PHILBIN. In any event, in the light of these figures that we have read, I wonder if you can give us any definite program estimate, the number of these 4-F cases that you referred to previously in your testimony, who are not engaged in essential industry?

Mr. McNUTT. I don't think anybody can give you that answer. I don't think Selective Service could.

Mr. PHILBIN. There is no check made of these men when they return—when they are cast off by the Army back into civilian life?

Mr. McNUTT. No; the only check is this. I meet every month with G-1, and get from him the number returned to civilian life, and the number we think that we can add to our civilian labor force. In other words, make the division between the medical cases and the case of a man who can resume his place in civil life. Now, they are not 4-F's. They may not be 4-F's at all; they are simply discharges. Four-F's are the ones who are refused by the induction centers, they have been sent to the induction stations, and they may be sent time and time again.

Mr. PHILBIN. That leaves the 4-F's you mentioned.

Mr. McNUTT. That is correct.

Mr. SPARKMAN. Governor, a little while ago, in talking about the 4-F's you said that if the Army would cooperate with you, they could be channeled into helpful work. Have you asked the armed services to do that?

Mr. McNUTT. I said this: The armed services could take these people in and furlough them. That is a question the armed services themselves will have to answer.

Mr. SPARKMAN. I am asking you if you have had it up with them.

Mr. McNUTT. I have talked about all these things with all of these people for a long time.

Mr. SPARKMAN. You have not had any experience—

Mr. McNUTT (interposing). My feeling is—and I am not answering for the Army today—my feeling is that the Army would not want to take these men and furlough them.

Mr. SPARKMAN. If the armed services would not—

Mr. McNUTT (interposing). As a matter of fact, I have heard the Under Secretary of War say that they did not want to do that. However, that is for him to say; it is not for me to say.

Mr. SPARKMAN. If the armed services are not willing to cooperate in that way, then legislation would be necessary, would it not?

Mr. McNUTT. No; if you will remember all I have said to you, I think we have enough to do our job.

Mr. SPARKMAN. How would you work if it they were not willing to cooperate?

Mr. McNUTT. Then, it does take legislation.

Mr. SPARKMAN. That is just what I asked you—

Mr. McNUTT (interposing). As I say, we have been able to meet this problem up to the present time. There is no crisis.

Mr. SPARKMAN. Do you think that you are going to be able to continue to meet it?

Mr. McNUTT. Why certainly—

Mr. SPARKMAN. Without legislation and without the cooperation of the armed services?

Mr. McNUTT. Well, I would like to have the cooperation of everybody concerned.

Mr. SPARKMAN. On the assumption that you do not get it, you think you can still solve it?

Mr. McNUTT. I did not make any assumption of that kind.

Mr. SPARKMAN. I will phrase my question a little differently. Probably I am making a mistake by using the term "cooperation." Of course, the main thing is their willingness to take these 3,000,000 4-F's, or such number of them as could be used, and furlough them in the manner you suggested.

Now, let me say this: Assuming that the armed services are not willing to agree to such a plan as you suggest, do you believe that you can still whip this situation without legislation?

Mr. McNUTT. No one knows what the course of this war will be or what the demands will be, and I am not going to predict. I am saying that up to the present we have been able to furnish those who are necessary to do the job.

Now, what has happened within the last 4 weeks has been the demand for these under 26, and I might say here that I do not pretend to be a military expert at all, and when the armed forces ask for them, I take it that they are needed; but there are certain men within that group who are essential for the war production which is necessary to support our armed forces. What I am interested in doing is to keep those men who are irreplaceable. The armed forces can say to you whether or not they will make the choice between production and men. That is up to them.

Mr. SPARKMAN. Well, of course, your interest is not limited to keeping those that are essential; you also have the job of supplying additional manpower requirements?

Mr. McNUTT. Precisely.

Mr. SPARKMAN. And naturally you have to plan ahead.

Mr. McNUTT. That is right.

Mr. SPARKMAN. Now let me ask you this: Are you of the opinion at this time that the situation in supplying the War Manpower needs is critical enough, or is likely to be in the near future, to require additional legislation?

Mr. McNUTT. I shall come before you if I feel that legislation is necessary.

Mr. SPARKMAN. Well, of course, you are the War Manpower Chief.

Mr. McNUTT. That is right.

Mr. SPARKMAN. And I am asking you if you believe at this time that it is needed.

Mr. McNUTT. No; if it were I would present something to you.

Mr. SPARKMAN. Yes; that is all.

The CHAIRMAN. In connection with Mr. Sparkman's question, do you believe you can get enough 4-F's, who are not now so employed, to accept jobs in industry, and instead of the Army inducting and furloughing them, the Army would simply go ahead and take those who refused to go into industry, just the reverse of the program. Instead of bringing everybody into the Army and then furloughing them back to work, you would have control of their activities. Do you believe they would voluntarily take them if they were threatened with a future prospect of induction?

Mr. McNUTT. They might, but I don't like to threaten people.

The CHAIRMAN. It does not have to be a threat; simply that the Army would agree to use them.

Mr. McNUTT. That is what it would be. Of course, there has been a feeling on the part of these people, because they are 4-F's, that they can do exactly as they please. Now there may come a time—and it may be soon, I am not sure—there may come a time when it is necessary to do that, but up to the present time it has been possible to get this job done.

The CHAIRMAN. Of course, your future demand is going up throughout the year, up to two or three million additional men.

Mr. McNUTT. I think, Mr. Chairman, even that is a guess. I know what it is up to the 1st of July. I am not so sure how many they need thereafter. That is going to depend on events in both the Pacific and the Atlantic areas.

The CHAIRMAN. Quite true.

Mr. ELSTON. Mr. McNutt, the armed services have already indicated what they need, so that you know what their requirements are.

Mr. McNUTT. You mean for the present?

Mr. ELSTON. Yes, for the present.

Mr. McNUTT. That is right.

Mr. ELSTON. And for some months to come.

Mr. McNUTT. No; not necessarily.

Mr. ELSTON. They have indicated the size of the Army and the Navy, too, haven't they?

Mr. McNUTT. No; let me, if I may, correct you. They have indicated their net. No one can predict what their replacements will have to be.

Mr. ELSTON. Well, they have estimated what they will need for the months to come, haven't they?

Mr. McNUTT. Up until the 1st of July.

Mr. ELSTON. The 1st of July.

Mr. McNUTT. That is right.

Mr. ELSTON. Now you know, don't you, what you can do toward mobilizing men in industry so as to take the place of the 18- to 26-year-old men who will be taken out?

Mr. McNUTT. Yes.

Mr. ELSTON. Well, have you the power now to mobilize those men to provide replacements for the young men who are taken out of industry?

Mr. McNUTT. I have not done it by power, Mr. Congressman.

Mr. ELSTON. What?

Mr. McNUTT. I have not done it by power, Mr. Congressman. I have done it by persuasion through recruitment.

Mr. ELSTON. Well, do you think you have sufficient persuasive authority to supply those replacements without legislation?

Mr. McNUTT. I have had, up to the present time.

Mr. ELSTON. Well, do you anticipate that you can continue?

Mr. McNUTT. I am not predicting now as to what will happen within the next few months.

Mr. ELSTON. You believe you can go on with the job of getting the right man in the right place?

Mr. McNUTT. That is right.

Mr. ELSTON. Now, do you have sufficient authority at the present time to move the right man into the right place?

Mr. McNUTT. By persuasion we have been able to do it thus far.

Mr. ELSTON. Well, are you apprehensive that you won't be able to do it?

Mr. McNUTT. I am not apprehensive today, but I do not predict what will happen in the future. I cannot. I would be silly if I tried to do it.

Mr. ELSTON. You have indicated here this morning that there are a lot of 4-F's who are in nonessential occupations.

Mr. McNUTT. No; I said many of them are in essential occupations.

Mr. ELSTON. Yes, I know; but you also said many of them are not in essential occupations.

Mr. McNUTT. Well, suppose there are.

Mr. ELSTON. Now, are you in favor of any legislation that would make it possible for you to shift the 4-F's in nonessential occupations to essential occupations?

Mr. McNUTT. I have not any objection to it if Congress wishes to do it, but I am not here urging it.

Mr. ELSTON. Congress looks to you as the Chairman of the War Manpower Commission for advice. You are in a position to advise Congress.

Mr. McNUTT. I am not here urging it this morning.

Mr. ELSTON. When are you going to urge it?

Mr. McNUTT. Whenever I think it necessary.

Mr. ELSTON. So that at the present time—

Mr. McNUTT (interposing). I do not.

Mr. ELSTON. You do not think it necessary?

Mr. McNUTT. That is right.

Mr. ELSTON. That Congress enact any legislation to shift the 4-F's from nonessential to essential occupations?

Mr. McNUTT. I do not. I have no objection, mind you, but I am not here urging it.

Mr. ELSTON. Who would you expect to urge it if you do not urge it?

Mr. McNUTT. I would urge it if I thought it necessary.

Mr. ELSTON. Who would you expect to urge it if you did not urge it?

Mr. McNUTT. Well, maybe I had better repeat my answer then.

Mr. ELSTON. Well, whom do you expect Congress to turn to for advice in that field except the Chairman of the War Manpower Commission?

Mr. McNUTT. As I say, I am not here this morning urging it. If Congress sees fit to do it, that will be all right with me.

Mr. ELSTON. Have you any recommendation to make to this committee?

Mr. McNUTT. I have no recommendation on it. I do not think that it is necessary as of today, as I have said before.

Mr. ELSTON. Is there any problem of manpower before your committee today?

Mr. McNUTT. Oh, there are plenty of problems; we have our problems hourly.

Mr. ELSTON. Is there any problem that has been created by this demand of the armed services for men between 18 and 26?

Mr. McNUTT. That is right, but that is a problem which today involves men with high scientific skills. Those cannot be replaced. It would not make any difference what kind of law you passed, you cannot make those men in a hurry.

Mr. ELSTON. If they take those who are in the category of the highly scientific—

Mr. McNUTT. One thing I have been urging is that they do not take those men who cannot be replaced.

Mr. ELSTON. How many of them are there?

Mr. McNUTT. They have talked to me in terms of 375,000 within this group. I am not so sure of that figure—

Mr. ELSTON. Who has indicated to you that there are 375,000 irreplaceable men?

Mr. McNUTT. No one. The armed services have said that there are 375,000 which would be taken out of this group. I have asked that these people who are responsible for war production give me the list by number, as soon as possible, by plant, as soon as possible, and then by name.

Mr. ELSTON. Now, Mr. Nelson testified here the other day that no effective control has been exercised over the 4-F's and persons between 38 and 45.

Mr. McNUTT. That is true.

Mr. ELSTON. And that the attempts made by you through certificates of availability and by other action have not effectively stopped this turn-over and have not provided the replacements or the additional manpower that is required. Do you agree to that statement?

Mr. McNUTT. That is Mr. Nelson's statement.

Mr. ELSTON. Well, do you agree with it?

Mr. McNUTT. That is Mr. Nelson's statement. I made a statement this morning on what had happened to turn-over.

Mr. ELSTON. Well now, Mr. McNUTT—

Mr. McNUTT (interposing). Mr. Nelson and I have worked together very well. It is not my purpose this morning to disagree with him publicly. It has never been necessary even privately.

Mr. ELSTON. Well, we don't want this just from being a disagreement. We are seeking facts, because that is a serious matter.

Mr. McNUTT. Of course it is a serious matter.

Mr. ELSTON. We have turned to you and to Mr. Nelson for information which would be helpful to this committee, because if legislation is necessary this committee wants to recommend it.

Now let me ask you this question. Inasmuch as this turn-over situation and failure to get additional personnel has existed and has not been solved, why didn't you disclose these facts about this situation to the Congress before this, so that Congress could take some action?

Mr. McNUTT. As I said to you, I think the situation has been met, Mr. Congressman, thus far. There are a few places, yes, bearings right now, lumber, coal, transportation, although we have brought in a good many from Mexico to meet that problem. We have been like a fire department in a few of these things.

Mr. ELSTON. Well, I think that is an entirely different situation from the one that is confronting us today. Now do you consider this situation serious or don't you?

Mr. McNUTT. Yes, sir; I considered the situation serious from the very outset, Mr. Congressman.

Mr. ELSTON. Do you think this Interagency Committee that you are setting up is going to be able to solve that problem?

Mr. McNUTT. The Interagency Committee will only save those men of the highest technical skills necessary within the industry represented by that committee.

Mr. ELSTON. Whose suggestion was it that this committee be set up?

Mr. McNUTT. I don't know where it came from. I may have had a part in it.

Mr. ELSTON. Did selective service have anything to do with it?

Mr. McNUTT. Selective service was represented at all meetings.

Mr. ELSTON. Is it the purpose of your committee to designate what is an essential and what is not an essential activity or occupation?

Mr. McNUTT. It will be. It necessarily will cover that. What we are asking is that the people who represent those who produce the goods necessary for this war say what they want, and somebody has to make the decision. Now I am not so sure but that they may want most of them, but that won't be the case—

Mr. ELSTON. Well, isn't that the job of Selective Service?

Mr. McNUTT. No; it has been ours from the very beginning.

Mr. ELSTON. Who has the authority to indicate what men shall be inducted into the armed forces?

Mr. McNUTT. Selective Service has that authority. If you want to take a look, there are two Executive orders under which I operate, in which I have to indicate what are the essential things.

Mr. ELSTON. Well, you recall that Congress on two specific occasions indicated that men should not be deferred because of occupation or by industries, don't you?

Mr. McNUTT. Will you restate that question?

Mr. ELSTON. I say Congress has indicated on two occasions that men should not be deferred from military service because of the fact that they are in certain occupations or employed in certain industries, that each case must be considered on its merits.

Mr. McNUTT. Precisely.

Mr. ELSTON. By the local draft board.

Mr. McNUTT. That is right.

Mr. ELSTON. Now you are going to suggest to Selective Service that men in certain industries and occupations shall not be deferred, aren't you?

Mr. McNUTT. No; if you will look at what the Congress has done, it has permitted occupational deferments heretofore, and in one instance it gave blanket deferments.

Mr. ELSTON. When did Congress defer all persons in any particular industry?

Mr. McNUTT. When it passed the Tydings amendment, if you will look at it, sir.

Mr. ELSTON. Aside from that amendment, has Congress designated any particular industries?

Mr. McNUTT. It has not.

Mr. ELSTON. In other words, the board is not going to handle any industry, but is going to handle the individual case, as I understand it, and handle the individual place, rather than a group.

Mr. McNUTT. No one has ever gotten away from the individual. We never can and should not. What we are trying to find right now is who are the individuals that are absolutely essential to the war effort.

Mr. PHILBIN. Is not Selective Service obligated to do that right now?

Mr. McNUTT. Certainly it is. But the question is where the advice comes from. Should it come from Selective Service or should it come from those of us who have been at this business for a long, long time.

Mr. PHILBIN. So that this will in effect oust the local draft board.

Mr. McNUTT. Pardon me. The Director of Selective Service asked us that it be put all on one table and some one person determine it.

Mr. PHILBIN. I understand you are merely an adviser.

Mr. McNUTT. That is right. Selective Service does not have to accept the advice. The draft board is the most autonomous body that I have ever known. It is more autonomous than a jury. It is the most autonomous body in democratic government.

The CHAIRMAN. That is why it is made up of people at home—

Mr. McNUTT (interposing). That is right. It has work to do. I do not mean that they should take the advice. We have tried to supply it to them, and we have supplied it to them through our people in the Employment Service. It has not been any effort on the part of anyone to control the draft board. We have tried to get the men the armed forces wanted, and at the same time provide for those who are manufacturing the goods that we have to have.

The CHAIRMAN. In response to a question by Mr. Philbin, I think you said someone had to make the decision.

Mr. McNUTT. That is right.

The CHAIRMAN. Do you mean by that that as chairman of this group you would be the one to make it, or the Board itself would make it?

Mr. McNUTT. That is right. It is not the Board. I will take their advice. Somebody has to decide.

The CHAIRMAN. The Board would simply use these facts and figures for decision.

Mr. McNUTT. That is right, and I will pass on it.

The CHAIRMAN. It would be your individual determination.

Mr. McNUTT. Precisely, as to what I pass on; but it is still in Selective Service to determine ultimately.

Mr. PHILBIN. You are going to make the final decision to Selective Service?

Mr. McNUTT. Under the law it belongs there.

Mr. PHILBIN. You are not going to interfere with them by this interagency committee?

Mr. McNUTT. I cannot interfere, but they have asked to have advice and they will get it.

Mr. PHILBIN. Then your action will be purely advisory?

Mr. McNUTT. Precisely.

The CHAIRMAN. Has anything at all been done, Mr. McNUTT, to take care of that group of persons between the ages of 50 and 65 relative to certificates of availability?

Mr. McNUTT. No.

The CHAIRMAN. Do you think something should be done, or do you believe that the great majority of them are going into work sufficiently to satisfy—

Mr. McNUTT (interposing). They are working.

The CHAIRMAN. The small group that might not be.

Mr. McNUTT. I appeared before the Appropriations Committee of the House yesterday and pointed out certain facts in that connection. There are a great many people who would be entitled to benefits under the law, who are working and not taking benefits, which is a very clear indication as to what is happening above the age limit.

The CHAIRMAN. Regarding the matter of replacements, each industry sets up a replacement schedule and occasionally when the time comes for a person to be let out of industry, and he claims that he has not been able to secure replacement, has your agency been very effective in trying to find replacements for those?

Mr. McNUTT. Yes; it has been part of our job. If they ask for them they get them. I think we can find them. We have been able to so far.

The CHAIRMAN. You generally have not had difficulty in finding adequate replacements?

Mr. McNUTT. Yes; up to the present time. No one can predict what this future is going to be or what the demands are going to be.

Mr. ELSTON. Mr. McNUTT, what do you consider your actual powers are over this newly created Interagency Committee?

Mr. McNUTT. I am chairman, and I will transmit its recommendations to Selective Service.

Mr. ELSTON. Do you feel that you have any powers over the decisions of that agency?

Mr. McNUTT. Of Selective Service, no.

Mr. ELSTON. I mean your Interagency Committee.

Mr. McNUTT. I do.

Mr. ELSTON. What will be your power?

Mr. McNUTT. My power will be, if there is any disagreement in the committee, to make a decision and to transmit to Selective Service what that decision is.

Mr. ELSTON. Then you have power to override the vote of members of this Interagency Committee?

Mr. McNUTT. I do.

Mr. ELSTON. In other words, those who compose the committee simply are there for the purpose of advising you.

Mr. McNUTT. That is right, and I am there for the purpose of advising the Director of Selective Service.

Mr. ELSTON. Well, I believe you have said before that you were not in favor of the Austin-Wadsworth bill, the National Service Act; is that correct?

Mr. McNUTT. That is right.

Mr. ELSTON. You still maintain the same position?

Mr. McNUTT. That is right.

Mr. ELSTON. You are not in favor of any type of compulsory service at the present time?

Mr. McNUTT. As I said before, if the armed forces determine that they want something of that kind, who am I to object?

Mr. ELSTON. Would you welcome it if they did make the suggestion?

Mr. McNUTT. I would have welcomed something of that kind 18 months ago, Mr. Congressman, but the job has been done on a voluntary basis—it has been done.

Mr. ELSTON. You say 18 months ago.

Mr. McNUTT. Yes.

Mr. ELSTON. When did you change your mind about that?

Mr. McNUTT. I did not change my mind about it.

Mr. ELSTON. You said you would have welcomed it 18 months ago but you do not welcome it now.

Mr. McNUTT. As I say, the job had to be done the other way, and it has been done. Now why undo it?

Mr. ELSTON. Was there a time when you were in favor of it?

Mr. McNUTT. I did not ask for it.

Mr. ELSTON. You never asked for it?

Mr. McNUTT. No, I did not ask for it.

Mr. ELSTON. The Compulsory Service Act?

Mr. McNUTT. I did not.

Mr. ELSTON. Well, if there was a time when you thought we should have one, why didn't you transmit your views to Congress?

Mr. McNUTT. It was certainly the thought of the Congress of the United States at that time that they didn't need any such an act.

Mr. ELSTON. Well, are you—

Mr. McNUTT. I was so advised.

Mr. ELSTON. Are you making recommendations in connection with what you think Congress wants or what you think the country needs?

Mr. McNUTT. I am making recommendations that I think the country needs.

Mr. ELSTON. Now a year ago, almost a year ago, you testified before this committee, and at that time you did not see any necessity or a national compulsory act.

Mr. McNUTT. That is right.

Mr. ELSTON. Yet, a year and a half ago you perhaps felt the other way.

Mr. McNUTT. I said it would have made the job easier—I might put it in that fashion.

The CHAIRMAN. Just along that line, Mr. McNUTT, I had a chart from Hartford County which might indicate the very thing you are pointing out. The chart shows that as soon as these various controls

came in at the beginning of 1943, employment in the Hartford County area dropped very abruptly and it has been constantly going down or declining, which might possibly indicate that persons, when they are ordered to do things, merely drop out, go away, and refuse to accept the order. Have you found that to be the fact in many cases?

Mr. McNUTT. No, I think that much of that decline in employment in our munitions especially, has been due to the improvement in utilization of the labor which was there.

The CHAIRMAN. You have no fear that the decline has been going along rather steadily in Hartford County? The big drop in the beginning was largely in the outside area; but since that time, during 1943 and so far in 1944, there has been a steady decline of approximately 2 percent in the amount of men employed.

Mr. McNUTT. There has been a total decline, of course, in employment in munitions, but my own feeling is that most of that has been due to improvement in the utilization of the labor they have had. Of course, there has been one thing which I mentioned before, a desire on the part of those who are employed in an industry in which they do not expect to be after this war is over, to go back to a place where they think they have permanent employment. Now that is perfectly understandable.

The CHAIRMAN. I know of a situation in the Boston Navy Yard. I understand that is one of the critical shortage industries in the Boston area, approximately 3,000 workers being needed; yet, during January of this year they came into the Boston area and recruited workers from the Boston Navy Yard to be utilized in Pearl Harbor Navy Yard, although the type of workers that were so recruited could have been obtained in other areas, not necessarily at the shipyard.

Mr. McNUTT. That, Mr. Chairman, is a question for the Navy to determine. If it happened to be more critical at Pearl Harbor, all right, then take the men out from the Boston Navy Yard.

The CHAIRMAN. The workers were apparently carpenters and various types who were not just peculiar to the shipyard industry that could have been found in other less critical manpower areas.

Mr. McNUTT. At that time everybody wanted to go to Pearl Harbor; I must say that.

The CHAIRMAN. It would seem ill-advised to come into a critical labor-shortage area and try to recruit out of that area the very type of workers they are short of.

Mr. McNUTT. I am not so sure, Mr. Chairman, that that is an assumption based upon the facts.

The CHAIRMAN. I am only judging from a statement contained in a newspaper article. I do not have any detailed information regarding that particular situation.

Mr. McNUTT. We are still placing those people. If they are asking for them, if the Navy wants them, they should know where they need the men, and what men they need, and where, and we try to fill those orders. There is nothing arbitrary about a thing of that kind.

The CHAIRMAN. It does seem that request should have been made and workers obtained through other areas, rather than in a shortage area.

Mr. McNUTT. What we do, whenever we have an order of this kind, is to look the country over. We see where there are surpluses and try to recruit the people there. Now it is entirely possible that

the only people that they thought they needed could be found in that particular area. If that were so, then that is what was done.

The CHAIRMAN. Another situation in the Boston area—

Mr. McNUTT. As I say, the recruiting might be going on simultaneously in a good many other areas as well.

The CHAIRMAN. In another instance up there, the Raytheon Corporation has a ceiling on piece-rate earnings for women. I understand that whenever the women have produced in a day the amount of material they are allowed to under this ceiling, they are stopped from working any further.

Mr. McNUTT. That is something I have nothing in the world to do with, Mr. Chairman.

The CHAIRMAN. That is something entirely within the factory?

Mr. McNUTT. That is right.

The CHAIRMAN. But would not the Manpower Commission have some obligation in checking a thing of that kind?

Mr. McNUTT. We would have nothing to do with it.

The CHAIRMAN. It would seem to me that putting a ceiling on the amount an individual might produce tends to develop a situation in which labor is not utilized to the utmost.

Mr. McNUTT. That is entirely possible; but if there is an agreement within the plant of that kind, unless it affects the war effort as has been noted, I would not have anything to do with it.

The CHAIRMAN. Here is a case, of course, where I don't know to what extent this situation exists, but it does indicate that the women are not being utilized to their greatest advantage in that place. In other words, in order to keep women's earnings uniform throughout the plant, they are permitted to produce only so much.

Mr. McNUTT. Of course, we would not support any such policy any place, and do not here.

The CHAIRMAN. It is indicated that the same plant is receiving poor material from time to time, and that is the excuse given for an occasional stopping of work. It would seem to me, if that is so, that ought to be given sufficient attention to see to it that a company which is manufacturing important things for the Navy receives satisfactory raw materials in sufficient quantities to keep its employees working steadily. I guess that is a matter for the W. P. B. rather than for the Manpower Commission.

Mr. ELSTON. Mr. McNutt, I want to ask you another question about the National Service Act. I believe you said a few moments ago that if the armed services recommended it, you might be for it.

Mr. McNUTT. No; I said that is their responsibility, and I am not going to question it if they do.

Mr. ELSTON. Don't you think you have some responsibility about it, too, because after all there is not only the question of obtaining men for the armed services, but also the question of obtaining men for industry to produce for the armed services.

Mr. McNUTT. That is right, and we have been able to obtain people to produce for industry.

Mr. ELSTON. Didn't you indicate a while ago you would be guided somewhat by the recommendations of the Army and the Navy?

Mr. McNUTT. I said if they are making a recommendation, who am I to object?

Mr. ELSTON. Who are you to object?

Mr. McNUTT. That is right.

Mr. ELSTON. They have made a recommendation this year.

Mr. McNUTT. That is right.

Mr. ELSTON. Didn't Secretary Knox testify that he was in favor of it?

Mr. McNUTT. I don't know what the Secretary testified.

Mr. ELSTON. Do you mean you were not aware of the fact that the Secretary of the Navy has asked for a National Service Act?

Mr. McNUTT. I have noticed in the press that he has.

Mr. ELSTON. Have you never discussed it with him?

Mr. McNUTT. I have.¹

Mr. ELSTON. Have you ever discussed it with the Secretary of War, who I understand also has indicated that he favors a National Service Act?

Mr. McNUTT. I have heard them both make that statement. I happen to sit with them in the Cabinet.

Mr. ELSTON. Well, the President also sent a message to Congress several months ago—

Mr. McNUTT (interposing). Yes.

Mr. ELSTON. In which he indicated—

Mr. McNUTT (interposing). That is right.

Mr. ELSTON. That he favored a National Service Act.

Mr. McNUTT. That is right.

Mr. ELSTON. Did he consult you before he made that statement?

Mr. McNUTT. He did not.

Mr. ELSTON. Has he ever consulted you with respect to that question?

Mr. McNUTT. I have talked to him on various occasions concerning it.

Mr. ELSTON. Did you or did you not recommend it or oppose such legislation?

Mr. McNUTT. What is that?

Mr. ELSTON. Did you recommend or oppose such legislation?

Mr. McNUTT. That I decline to answer.

Mr. ELSTON. Why?

Mr. McNUTT. For the simple reason that my conversations with the President do not happen to be a matter that should be recorded publicly. Otherwise I could not feel free to discuss with him many matters which have to do with public business.

Mr. ELSTON. You appreciate, of course, we do not want to pry into any confidential matters that you may have discussed with the President; but after all, this is a question that affects and concerns every citizen of the United States, and we want to know whether there is any unity on this question, whether there is an agreement about the National Service Act or whether there is a disagreement.

Now, did you and the President disagree on the subject? Did you and the Secretary of the Navy disagree, and did you and the Secretary of War disagree?

Mr. McNUTT. That I decline to answer, Mr. Congressman.

The CHAIRMAN. Mr. McNutt, I believe that you are perfectly right in declining to comment on your personal conversations or upon the

¹ At the hearing the answer given was "No, I have not" but in proofreading it was changed by the witness to "I have."

views and opinions of the President regarding matters you have discussed with him privately.

Mr. McNUTT. I have said I would not oppose, and I am not opposing.

Mr. ELSTON. Are you opposing it now?

Mr. McNUTT. Did you understand me, Mr. Congressman? I said I would not oppose and I am not opposing.

Mr. ELSTON. You are neither recommending nor opposing, are you, the National Service Act?

Mr. McNUTT. That is right.

Mr. ELSTON. Now, neither are you recommending nor opposing a Limited Service Act such as has been suggested by Mr. Nelson?

Mr. McNUTT. That is right.

Mr. ELSTON. That is all.

The CHAIRMAN. I believe Mr. Miller would like to ask one or two questions.

Mr. MILLER. I would like to make a brief statement, Mr. McNutt. First of all, I want to say that I appreciate the committee's looking into these matters. I have tried to get information, and I have been confused by conflicting information. I am glad that Mr. McNutt has said to the committee that he will check into this matter of unemployment compensation.

Mr. McNUTT. I will be very glad to.

Mr. MILLER. About 3 weeks ago three residents of my district came down and we had a conference in Mr. McNutt's office. The chairman of that committee, I believe, was Mr. Van Werk. Those three people were interested in that problem of the ball-bearing industry shortage, which they said was down to 1,100. That was later cut down to 900 in that area. Mr. Fitzgerald, the State war manpower director, said that 8,000 workers would be required at the Pratt & Whitney aircraft plant. That was so a few days ago, but the situation has changed. He said—and this is a matter of stenographic record in your department—that in all probability, so far as can be foreseen now, your aircraft industry will not go above the present level. They said further that the only acute shortage is in the ball-bearing industry and the answer was that they expected to be on the job, and that in some 30 to 60 days that would be taken care of. Now that is the information I got in reply to inquiries from manufacturers. Instead of getting cooperation, I have been told that my inquiries are not helping the war effort a damned bit; that they are in fact poison propaganda. That has been quoted in the Hartford Press. It seems that the State manpower director is not cooperating, and that is why I want this committee to send out its own investigators to get at the facts. At the present time I submit to Mr. McNutt and this committee information given me by an official body in your own department that the shortage was down close to 900; and I certainly protest against requiring banks, insurance companies, newspapers, and everybody else to reduce their staffs by 10 percent.

Now, I hope, Mr. Chairman, that the committee will pursue this further, because I think everybody is entitled to the information. I have a letter dated March 27 and signed by Mr. McNutt in which he tells me, among other things, that in the aircraft industry, in which is the very plant I was told would not need any more help, they will probably increase their shortage 2,500 or more, and it may be 5,000

by next June. That has been denied in Hartford. I cannot seem to get any figures to work on. That letter was sent to Congressman Smith, and a copy to myself.

I have not the time to pursue the whole matter but that is the type of conflicting information that causes confusion. I do hope the committee will take time to hear at least some of these people from Connecticut. It might be that they are wrong, that there are jobs in Hartford which they can get. Instead of that they have to loaf, and while loafing they are drawing unemployment compensation. It does seem that where the War Manpower Commission has a critical labor-shortage area, if there are jobs for workers and an employee is willing to select them, he should not have that selection regardless of what some may think of the ball-bearing industry. I submit that whether this ball-bearing industry is so acute, it was not even mentioned on the President's list of eight critical industries.

The people do not understand. We have been told in Hartford that there is a shortage of labor in the ball-bearing industry, and when people read that, they find that the ball-bearing industry is not even on the most critical list that the President submitted, and they wonder why. Maybe some of you fellows can explain it, but I am puzzled, and I submit the whole question to the committee.

Mr. ELSTON. Mr. McNutt, I would like to ask you another question about the Interagency Committee, because we feel that we would like to have complete and full understanding about how it is to operate. Do you consider that part of the War Manpower Commission?

Mr. McNUTT. That is right.

Mr. ELSTON. How is the Chairman selected?

Mr. McNUTT. That was by agreement with the Commission itself.

Mr. ELSTON. Do you mean that the Commission met and selected you Chairman?

Mr. McNUTT. Well, the Commission itself decided what plan should be followed.

Mr. ELSTON. I am asking you how you were selected as Chairman or Director? Were you selected in the same manner or were you elected?

Mr. McNUTT. Not by a vote, no.

Mr. ELSTON. Well, how were you selected?

Mr. McNUTT. Well, I was selected—the committee did vote. The Commission voted and this vote was unanimous.

Mr. ELSTON. You mean the Interagency Committee met?

Mr. McNUTT. No; no. I mean the War Manpower Commission met.

Mr. ELSTON. Well, that is beside the point. I am asking you what the Interagency Committee itself had to do with the selection of its own chairman.

Mr. McNUTT. The Interagency Committee has never met.

Mr. ELSTON. Well, then you are just designated chairman by your own vote?

Mr. McNUTT. Well, by the Commission.

Mr. ELSTON. Well, you are the War Manpower Commission, aren't you?

Mr. McNUTT. I am part of it.

Mr. ELSTON. You are chairman of the Commission.

Mr. McNUTT. That is right.

Mr. ELSTON. And make all the decisions.

Mr. McNUTT. That is right.

Mr. ELSTON. And certainly you do not allow any of your subordinates to either elect you or not elect you, do you?

Mr. McNUTT. Well, I should not call the Secretary of Labor, the Chairman of the War Production Board, the Secretary of Agriculture, the Under Secretary of War, or the Assistant Secretary of the Navy, I should not call them subordinates. They are members and they were present.

Mr. ELSTON. They have not a voice, you use that voice—

Mr. McNUTT. Yes, they have.

Mr. ELSTON. Not in the selection of their own Chairman.

Mr. McNUTT. Yes, they have.

Mr. ELSTON. Did they or did they not select you as Chairman?

Mr. McNUTT. The answer is yes.

Mr. ELSTON. When?

Mr. McNUTT. At the meeting at which this committee was set up.

Mr. ELSTON. Now was it fully understood that you had the power to overrule the vote of that Committee?

Mr. McNUTT. So far as I know it was.

Mr. ELSTON. When did you discuss it?

Mr. McNUTT. It was pretty thoroughly discussed, as I remember it. It took about 2½ hours.

Mr. ELSTON. Well, did you set up any machinery, or have set up any rules and regulations which indicated—

Mr. McNUTT (interposing). No, that will not be done until the committee meets.

Mr. ELSTON. Well, you have already stated to us that you, after all, would make the decision.

Mr. McNUTT. Precisely.

Mr. ELSTON. So that this committee is nothing more or less than an advisory committee.

Mr. McNUTT. It is advisory; so am I.

Mr. ELSTON. They will advise with you?

Mr. McNUTT. That is right.

Mr. ELSTON. But they have no authority?

Mr. McNUTT. That is right.

Mr. ELSTON. To make a final decision.

Mr. McNUTT. That is right.

Mr. ELSTON. Well, you could advise with them without setting up this committee, couldn't you?

Mr. McNUTT. I could, but I would rather have it in that form.

Mr. ELSTON. This was just a matter of form.

Mr. McNUTT. No, it is not a matter of form.

Mr. ELSTON. Well, now tell us what authority any member of the committee has.

Mr. McNUTT. Why, the authority to recommend what he thinks that the one he represents should have out of this group under 26.

Mr. ELSTON. They already have that authority, haven't they?

Mr. McNUTT. Why, yes, but it should be at one spot. Someone should look after this, otherwise you create chaos and confusion.

Mr. ELSTON. Is it contemplated that they vote at all?

Mr. McNUTT. I usually do ask for a vote by any body over which I preside.

Mr. ELSTON. That vote, of course, would not be binding.

Mr. McNUTT. I know, but I have been guided by votes heretofore. If you will take a look at the record you will so find if you are interested.

Mr. ELSTON. You have been appointed a committee by their recommendations, so far as the Selective Service and National Service Act is concerned, have you?

Mr. McNUTT. Yes, I have.

Mr. ELSTON. That is all.

The CHAIRMAN. Mr. McNutt, I wonder if I might call your attention to a situation on the west coast, where they have a merchant marine station for training merchant seamen to man harbor vessels. I understand that approximately one-half of their personnel who handle the administrative work and training these young men are subject to induction. I don't know whether you are familiar with that situation or not, whether it would be possible to obtain suitable replacements for those people, whether they should be granted deferment. As a matter of fact, they have to be physically fit people.

Mr. McNUTT. That will be for the claimant agency to present.

The CHAIRMAN. It is a matter for the Maritime Commission itself to present directly to your agency.

Mr. McNUTT. That is right. That is one thing we are going to do, set up a table showing how many of these people we have to have. That is what it is for.

The CHAIRMAN. Do you think it is possible to get a good, typical example—

Mr. McNUTT (interposing). I have the fullest consideration for the Maritime Commission. They represent the Maritime Commission itself on this committee, as well.

The CHAIRMAN. It is probably a school offshore where you have to have a passport to get to, and as a result there is no entertainment over there, and that makes it a difficult place to serve.

We appreciate very much, Mr. McNutt, your coming before the committee. I don't know whether you have any further statement to make. I think you have been very useful and a very good witness in answering our questions here, and I do believe—

Mr. McNUTT (interposing). I should be glad to have the information that has been mentioned here concerning Hartford, and any others which you have in mind, because those are matters that can be taken care of.

The CHAIRMAN. The committee will see that you get those complaints. Thank you very much for your appearing here this morning.

I may state that the committee possibly will call upon Under Secretary Patterson at a time to be arranged between the Under Secretary and the committee.

That is all at this time. We will now adjourn.

(Whereupon, at 11:40 a. m., the committee adjourned.)

INVESTIGATIONS OF NATIONAL WAR EFFORT

WEDNESDAY, MARCH 29, 1944

HOUSE OF REPRESENTATIVES,
SPECIAL COMMITTEE OF THE
COMMITTEE ON MILITARY AFFAIRS,
Washington, D. C.

The special committee met at 10:30 a. m., pursuant to adjournment, in room 1310, New House Office Building, Hon. John M. Costello (chairman) presiding.

Present: Representatives Costello (chairman), Sparkman, Philbin, Elston, and Luce.

Also present: H. Ralph Burton, general counsel to the committee.

The CHAIRMAN. The committee will be in order.

This morning we have before the committee Under Secretary of War Mr. Patterson, and also Mr. Bard, Assistant Secretary of the Navy Department.

I wonder whether you would care to both come forward at the same time so that any questions that might be directed to you might be directed to both the War and Navy Departments simultaneously.

I believe, Mr. Patterson, you have a statement.

STATEMENTS OF HON. ROBERT P. PATTERSON, UNDER SECRETARY OF WAR AND HON. RALPH BARD, ASSISTANT SECRETARY OF THE NAVY

Mr. PATTERSON. My views have been asked as to a proposal of utilizing in war industry and other essential activities the services of men of military age who have been found not physically fit for the arduous life of military service, the so-called 4-F's. I favor such a proposal.

I am firmly convinced that the Nation is facing a manpower problem of a critical character.

With the armed forces in need of an estimated 1,700,000 young men in 1944 to reinforce those already in the service, there will be a withdrawal of many men of military age who are now engaged in war production and other essential activities, men who have hitherto been deferred because they are engaged in essential occupations. The requirement of the armed forces for additional men may be even higher, depending on the future course of the war. The calls of the armed forces are calls that must be filled, and filled promptly.

The impact of these withdrawals for military service will come on an already tight situation. Right now there are shortages of labor in many war industries and contributing industries, shortages that our present system of mobilizing manpower for civilian tasks has not been able to fill. Manpower shortages exist in such vital industries as

aircraft, ball bearings, railroads, logging, coal mining, and cotton textiles. The size of these needs may be gaged from the fact that the railroads today need 100,000 more workers, the coal mines 40,000 more workers.

Only last Monday Mr. Nelson, in reporting on February production of munitions, stated that manpower still remained a limiting factor in the output of many munitions items—especially such critical components as bearings, castings, and fractional horsepower motors. Mr. Nelson also said:

It cannot be emphasized too strongly that manpower will become a more and more critical problem in munitions production during the months ahead, because the Nation faces the problem of maintaining an over-all munitions output slightly higher than at present, in the face of intensified manpower drains in the lower age brackets to meet the needs of the armed forces.

There is another difficulty that confronts war industry; I refer to the fact that war production is of a constantly changing character, due to the changing needs for weapons. We will require fewer workers in some plants, more in others. So there must be flexibility in production, if we are to respond to the needs of our fighting forces overseas in the swiftest manner. This will give rise to a need for more workers in a given plant, even though the over-all need for workers in a given line of production might not be present.

There is also the factor of labor turn-over, which is still abnormally high. From an average monthly separation rate of 3 per 100 workers in manufacturing 3 years ago, the rate at the end of 1943 had climbed to 6 per 100 workers. That is per month. Only a small part of the increase was due to the separation of workers who left to join the military forces.

It is to be borne in mind that the problem is not one of an over-all shortage of manpower in the Nation. There is no over-all shortage. The problem is in mobilizing our manpower so that, after the needs of the armed forces for men have been met, men and women will be drawn from activities of a less essential character to the activities that are vital to successful prosecution of the war.

The need for effective utilization of the manpower of the Nation has been brought to sharp focus by the President's message of February 26, urging the draft of the younger men still in agriculture and industry and pointing out that their places should be taken by those now physically fit for military service, by older men and by women. Able-bodied men in the younger-age group must be obtained promptly for full military service. The Selective Service System has failed for months to meet the requirements of the Army and Navy. As the result of numerous deferments on various grounds, a disproportionate number of men of an older age group have been taken into the Army, and we have even taken to a certain extent so-called limited-service men. The time has come when none of us can refuse to face the fact that those who in physique and vigor can best serve their country in the armed forces fighting our enemies should be taken into the armed forces and their places in essential activities taken by those less fit for military service.

The young men who are occupationally deferred, with limited exceptions, must be withdrawn for the armed forces. But we must have an effective mechanism to assure their replacement on the farm

and in industry so that our vital production may not be critically injured.

I believe that the manpower problem calls for passage of a national war service act, along the lines of the Austin-Wadsworth bill. Such legislation would apply to all men and women of working age, and would declare and enforce an obligation on the part of everyone to do his or her share in aiding the fighting forces. Suitable safeguards would be adopted to make sure that no harsh or unjust measures were taken and that civil rights were protected. Practically every other nation that is actively engaged in this war has adopted legislation of this kind. My views on national war service, and I mean by that of an unlimited character, have already been presented at some length and need not be repeated now.

The War Department has not changed its position on national service legislation. However, if we are not to have national service legislation promptly, I believe that there is solid merit in the proposal to bring about better utilization, in civilian activities essential to the war, of the men of military age who have been classified as physically unfit for military service.

There is something basically wrong, I submit, when two men of the same age, say 25, are called for induction by Selective Service; with one of them accepted for military service and trained for fighting overseas; with the other rejected for military service because of some physical defect that does not seriously affect his ability to perform a civilian task of a character indispensable to winning the war, a task in which there is a shortage of workers, but nevertheless permitted to engage in an occupation that will contribute nothing to the winning of the war. That is the case today.

Selective Service has registered 22,000,000 men. Of this number, there are 5,000,000 who have been granted occupational deferment.

Three and a half million men between 18 and 37 have been deferred because of physical, mental, or moral disqualification for military service. These are the 4-F's. Most of these men, beyond question, are qualified to hold jobs in war industry or other essential industry. Many of them are already engaged in war production and are doing their full duty. But if we accept those who are capable of steady work and those already in war industries or other essential industry, we still have somewhere around 1,000,000, it has been estimated, who are engaged in trades and services less essential to the conduct of the war. It is matter of common knowledge that many of them are contributing nothing that is of material assistance to the men who are doing the fighting. Yet the need of additional workers in war industry and in other activities vital to our national welfare is with us already and it is equally clear that the need will increase.

It seems quite plain, therefore, that some method of controlling the utilization of 4-F's in essential war work more extensively than under existing practice would promote the winning of the war. I recognize, however, that the high rate of labor turn-over in war industry, one of our vexing problems, will not be corrected or touched by this proposal.

I might make a comment on ways and means of better utilizing the services of the 4-F's.

One method would be by enactment of national war service legislation, like the Austin-Wadsworth bill, but cut down so as to cover only

men from 18 through 37 who have been classified as physically disqualified to perform military service. The assignment of men to essential activities would be under control of a director of national service. I personally prefer that method.

Another method would be by extension of the present selective-service mechanism. The 4-F's in war activity or other essential activity would be given occupational deferments and would remain as before. The 4-F's not in war activity or other essential activity and found by the local boards to be qualified for such activity would be inducted and placed in the Enlisted Reserve. As the need for additional workers in an essential activity in a particular locality became evident, such men, generally from the same locality, would be directed by the local board to take employment in such activity, remaining in a civilian status and entitled to the wages and other ordinary incidents of civilian employment. Any men who were directed to take such employment and refused would be called by the Army to active military service and would be used in special labor units. It is reasonable to expect that most of the men directed to accept civilian employment would choose to do so.

I believe that the plan can be carried into operation through the joint action of existing war agencies.

But at this point I would like to make crystal clear three things which are not in the statement but which should be borne in mind:

1. The residue, who would in that way come into active service, must not be counted against the ceiling or size of the armed forces as fixed by the Joint Chiefs of Staff. That should be very explicit; these men, any men who drift in by that method, should not be charged against the ceilings or size of the armed forces fixed by the Joint Chiefs of Staff.

2. There should be no possible interference on this account with the general medical and physical standards for men accepted into the Army and the Navy for general service.

3. There is no place in the Army, and I believe none in the Navy, for using these men in the general Army or Navy duty, such as has been suggested, I say, working around hospitals or something of that character. We already have men qualified for that duty and fit for that duty and these men could not be used in that capacity.

There is the question whether an amendment of the Selective Service Act would be necessary. I believe that an amendment would be desirable. Under such a proposal it might be claimed that use was being made of the Selective Service System for a purpose not within the contemplation of Congress when the act was passed in 1940, in the absence of further legislation. We also have the amendment approved on December 5, 1943, under which it is provided that no persons shall be called for induction, ordered to report to induction stations, or be inducted because of their occupations or by occupational groups. That amendment might be deemed to bar any method of calling 4-F's who were not engaged in essential activities. In the absence of legislation, various questions might also be raised as to the status of men in the Enlisted Reserve so far as might concern bonuses, disability benefits, and many other instances of what we give to men called to military duty. All these men should not be in that category.

But I have not been able, in the short time available, to give thorough consideration to the point whether new legislation is indispensable. I have already indicated I believe that it would be desirable; whether it is indispensable or not, I am not prepared to say at the moment.

Legislation along the lines of the Luce bill, with suitable amendments, would accomplish the purpose. The amendments I refer to are mentioned, and possibly some others, to give discretion on the part of the War Department and the Navy Department to place men in the Enlisted Reserve, and to permit them to continue the conduct of civilian occupations and activities of the character necessary to the winning of the war. I don't think that is mentioned in the bill.

We face an actual danger. I assure you that the Army will cooperate in putting into effect whatever plan the Congress adopts which will assure that those unfit for military service replace in essential occupations those required for such service and immediately.

That concludes my prepared statement, Mr. Chairman.

The CHAIRMAN. Mr. Bard, do you have a statement that you would like to make?

Mr. BARD. I have no statement. I concur with the statement of Mr. Patterson.

The CHAIRMAN. You concur in the statement that Mr. Patterson has just made.

Do you believe that there has been any improvement in the last few months at all in regard to the matter of turn-over?

Mr. PATTERSON. Perhaps a slight improvement. If my recollection is correct, the high point in that was reached in October. I think the December figures were a little better than they had been in October of 1943. However, the statement I made stands, that from an average of around 3 percent in 1940, by December of 1943 the rate per month had climbed—I am speaking of separations in manufacturing activities—had climbed to 6 per 100 monthly.

The CHAIRMAN. In other words, the present controls that exist for trying to stop turn-over have not been sufficiently effective to materially reduce the rate of turn-over.

Mr. PATTERSON. I think that they were higher in December of 1943 than when those controls were instituted, about last April—April of 1943. I believe so. It has not been cut down by them.

The CHAIRMAN. Do you feel that the National Service Act would definitely curtail turn-over in industry?

Mr. PATTERSON. I am sure it would go a long way toward curbing turn-over in industry by freezing workers to their work, unless the local board found that there was good reason for a separation. That is hardly touched by the proposal, however, that is mentioned here, because this would not operate in any way upon the older men and upon the women, and in that respect I do not think it would be as good as full, unlimited, national war service.

The CHAIRMAN. But it would be possible to touch some of the older men by that proposal if the War Department saw fit to do so. In other words, you could apply the same standards to these, say 38-45's, that you are proposing to apply to those classified 4-F.

Mr. PATTERSON. Possibly. I have not given much thought to the people in the bracket 37-45.

The CHAIRMAN. It would seem to me there would be a possibility of adopting the same procedure with them in order to get that control.

Mr. PATTERSON. Yes; those men are not 4-F's, of course.

The CHAIRMAN. No. You spoke about the possibility of legislation being necessary. Do you feel that this program could be put into effect at this time without any actual change of legislation—I mean, with regard to the 4-F's.

Mr. PATTERSON. You have some very vexing problems, I think, with regard to the advantages, and disadvantages, and so on, that have been given by law. Whether these men would be deemed in the military service—I think, of course, a man who was engaged in any civilian occupation, and if this plan were to succeed the vast bulk of them would be engaged in civilian occupations as civilians. I think that those men should certainly not be deemed to have the rights and privileges of various characters that Congress has seen fit to give to men actually in the military service.

I am also bothered somewhat by that provision of the act of December 5 of last year that says we shall not call a man for induction by occupation, and there certainly should be no disturbance of the 4-F's who are already in essential war work.

The CHAIRMAN. Do you think we could obviate that by simply having an announcement made by the War and Navy Departments that they would accept for military service an additional number of men who heretofore have been classified 4-F, and by making such an announcement the selective service board then would be authorized to review the 4-F's and notify them as to their proposed induction; but in reviewing the 4-F's, any who were engaged in industry would be put into a deferred classification, 4-F's, so that they would automatically be ruled out. That information going out, I think, would be sufficient to induce a large number of those not now employed in war activities to go into industry, and that your selective service boards would then call in for induction those who refused.

I don't think you would be violating the provision of the amendment of December 5 in regard to drafting by groups. You would simply be not deferring those who are not in a war-connected activity, and calling those men only into service.

Mr. PATTERSON. So far as the local boards could induce the men to go into essential war work, we would not need, I suppose, an amendment, because they would never be inducted at all—so far as they might be inducted, and then the second opportunity be given them to do specified work in the locality—I think that would require an amendment, because it seems to me you would then be using the Selective Service System not for strictly military training and service at all.

The CHAIRMAN. Is that what you had in mind by the statement you use in here about calling these men into the Army in active military service and to be used in special labor units, you mean labor units outside of the Army?

Mr. PATTERSON. That is only a residue, a last resort. The success of this plan will turn on the fullest utilization of the 4-F's in civilian war work, in aircraft plants, and ball-bearing plants, the men being in their civilian clothes and entitled to the wages and all the ordinary incidents normally attaching to civilian employment under the same duties.

The CHAIRMAN. Is that the thought you had in mind in your statement that these special labor units would be units engaged in civilian labor, and not military activities?

Mr. PATTERSON. Yes; that is so; but it is not nearly as effective as the other, and that could not rise to very large proportions with any effectiveness.

Mr. BARD. May I comment on one subject?

The CHAIRMAN. Yes.

Mr. BARD. As I see it, the difficulty of handling this 4-F problem without legislation is the same difficulty with the Luce bill, if it is handled just as the Luce bill proposes. As I understand it, what we are trying to do is to get these people to take jobs in war industry and if they are taken into the military service and had the full rights of the military men I am afraid that a great many of them would take the position that, well, if I am taken into this category of special service, I know I am not going to have to fight; if there is a \$3,500 bonus, I am going to get it; I will be hospitalized for the rest of my life; I will have the privilege, the special privilege of civilian employment ahead of other civilians; and it seems to me that is quite a plum that they would get, and they might well prefer to go into this special service, if they are going to get all the military rights without any of the dangers of military operations. It seems to me, in the Luce bill, or any proposed legislation, that something should be written into the bill which would take away those privileges from this particular set-up, who will be the residue left from those who will not go to work in the war effort.

The CHAIRMAN. I think I can thoroughly agree with you in that regard, that if any legislation is to be passed whereby these men are to come into the service to be used in civilian employment, they should not be given the benefits which are naturally given to any regular member of the armed services.

Mr. BARD. You see, that is our difficulty in trying to handle these 4-F's as the service would handle it. We can handle it up to that point very well, but we cannot do anything about that, if we induct them, they are entitled to those privileges.

The CHAIRMAN. Of course, I do not believe it would be possible for the Army to induct these men and then release them into civilian activity subsequently. The thought I had was the possibility of handling them in such a way that the men would voluntarily go into industry in order to avoid the possibility of being called into military service, and the thought was that possibly if some of these different tasks in either the Army or the Navy could be assigned to this group of people, they would become regular members of the military but would not have any prospect of combat duty; there would be no particular glamour to it; they would probably have one station or one assignment for the entire duration of the war; the type of jobs naturally would not call for great physical exertion, and at the same time that was the thought I had in suggesting possibly hospitals, and jobs of that character and fixed permanent stations, either with the Army or the Navy.

Do you believe the Navy would be able to take any of these men in and actually use them in that way?

Mr. BARD. They have not felt that they could to advantage up to date.

Mr. PATTERSON. We are very clear on that; we cannot, Mr. Costello; we have all the men we can use in that category already. We have a great many wounded men, sick men, coming back from overseas fit for that duty, and who are performing that duty. We are using them for that, of course, still in increasing numbers.

No; unless this thing is geared first to the proposition of making full utilization of 4-F's in a civilian capacity in civilian war work, and the aim of it is that, getting the vast majority of them to go into that work, it won't succeed.

The CHAIRMAN. Are you pretty largely of the same point of view, Mr. Bard, in that regard?

Mr. BARD. Yes; we are already using quite a number of wounded men and men who are back from the front, and more coming in every day. We are already using them in the hospitals, and in the Navy Department and different places all over the country.

Mr. PATTERSON. It cannot be deemed, in other words, a measure to keep men now physically fit for military duty of an unlimited character in civilian occupations and send these men. That is utterly inadmissible, I assure you.

The CHAIRMAN. You feel that the control you have of simply inducting them into the service subsequently, if they leave their civilian labor, would not be sufficient to definitely give you the control you would like to have, that the object is to keep them in civilian labor and not get them into the service.

Mr. PATTERSON. Certainly, we should treat this purely as a measure of utilizing more fully than our present controls do, the services of the 4-F's in civilian activities of a war character, airplane plants, ball-bearing plants, railroads, logging, coal mining; it is really, as I see it, national service of a very limited character, applicable to men of a certain age group. I don't know of any other sound basis for it.

Mr. BARD. My thought was, to clear something that you mentioned, that these men, these few men we hope would remain and would have to be taken into this special group, would do the type of work, such as is outlined by the Luce bill, or, in my mind, the type of work that the C. C. C. organization used to do. They would not be used for military work or around military operations.

The CHAIRMAN. I am afraid you might wind up with 1,000,000 4-F's in the service and none of them in labor at all.

Mr. BARD. I would hope they would all go into labor, and we would have very few to deal with.

Mr. SPARKMAN. How would you prevent the turn-over? In other words, suppose these 4-F's, rather than being taken into your labor battalions, went into essential industry. The assumption would be that a great many of them would be rather half-hearted. How would you prevent absenteeism and turn-over among those?

Mr. BARD. General Hershey has already provided for putting those men in 2-A and 2-B, which is a deferment classification, and if that

were done, any man who leaves his job in a deferment classification has to immediately report that to his local board. The employer also has to report it to his local board, so immediately the local board would know that he had left his war job, and it would be in a position to either prevail upon him to return to his war job or reinduct him for this special service program.

Mr. SPARKMAN. Suppose he should be put into this special service, what about the problem of pay? Would it be your idea that the scale of pay should be the same as a serviceman?

Mr. BARD. Yes.

Mr. SPARKMAN. In private industry?

Mr. BARD. Oh, absolutely not.

Mr. SPARKMAN. And you agree with that statement that Judge Patterson made, that the benefits should be taken away from him, or rather that he should not enjoy all the benefits that are given to those men in active service?

Mr. BARD. I certainly thoroughly agree with that, because I think your whole plan would be dynamited if they had all those prerequisites, because a man would say, by going into this special service, "The war won't last for a year, and I can make \$3,500, and I can set myself up in a very satisfactory manner for the rest of my life."

Mr. SPARKMAN. It seems to me then that both of you are in agreement that legislation is absolutely necessary for this program to work properly, is that right?

Mr. PATTERSON. I believe so.

Mr. SPARKMAN. And that legislation will probably call for—see if we can enumerate the things that it would call for—

First would be, as Judge Patterson mentions, the repeal, or modification rather, of that amendment of December 5, 1943.

Second, somebody would have to be given the power to put these people into the labor battalions.

That would call for legislation, would it not?

Mr. PATTERSON. I think so.

Mr. SPARKMAN. And the third you would have to make certain by positive legislation that they would not be clothed with any of these benefits that we have provided for the servicemen.

Mr. PATTERSON. I rather think too, that it should direct or authorize the services, with the cooperation of the civilian war agencies, to see to the placing of these men in civilian work of a war character.

Mr. SPARKMAN. Is not that power already given?

Mr. PATTERSON. Discretion in that regard in cooperation with the other war agencies, such as the Selective Service, the War Manpower Commission, and possibly the War Production Board.

Mr. SPARKMAN. I believe that is all, Mr. Chairman.

Mr. ELSTON. Judge Patterson, have you examined both of the Luce bills? There was one that provided for a civilian corps, that was the first bill. Have you examined the provisions of that bill?

Mr. PATTERSON. Yes, Mr. Elston; but that was months ago, and I am not familiar with all the details. It was quite a detailed bill. I have read recently Mrs. Luce's other bill, the one of March—

Mr. ELSTON. Do you think that the previous bill might answer the objection you made to the second one, or aren't you familiar enough with the terms of the bill to answer that?

Mr. PATTERSON. No; I am not familiar enough with its terms to answer that. If I am correct, though, in assuming that it contemplates the setting up of an organized unit under Army direction in large numbers, I don't think it meets the need, because the real need is for 50 men or 40 men in a certain plant of a certain industry, or maybe a coal mine, or something like that, and those men ought to be in the same status, so far as wages are concerned, and a lot of other things, as the other men that work in that plant. That is my view of it.

Mr. ELSTON. Well, I think that—

Mr. PATTERSON (interposing). And not in any discipline, or in any organization. I think you would have very vexatious problems that would confront you from a mingling in of that, and that is where the real need is. It is not for a unit to go out and pick up stuff somewhere, some kind of "made work"—that is not it.

Mr. ELSTON. Let me ask you, Judge, if the Army is using about all the limited-service men now they can take in.

Mr. PATTERSON. They are, that is right.

Mr. ELSTON. So that—

Mr. PATTERSON (interposing). These men could not be used in the ordinary way for, say, duty around posts. We already have our requirements for work of that kind taken care of by people in the military service—

Mr. ELSTON (interposing). Well, you definitely feel—

Mr. PATTERSON (continuing). And men whom we cannot use for one reason or another for full combat duty, wounded men, sick men, and things of that sort.

Mr. ELSTON. You definitely feel that some legislation will be necessary in order to meet this problem?

Mr. PATTERSON. Yes, sir.

Mr. ELSTON. And that possibly the Luce bill, perhaps some parts of both of them, with the amendments that you suggest, might answer the problem?

Mr. PATTERSON. Yes, sir.

Mr. ELSTON. You do not feel that the War Manpower Commission can itself solve the problem, do you?

Mr. PATTERSON. Well, I do not believe that the problems today have been solved, and I think the drains on our manpower, only partly mobilized as it is today, will increase rather than diminish this year.

Mr. ELSTON. Do you think that the setting up of this Interagency Committee, that we have discussed so much in the last day or two, is going to be any solution?

Mr. PATTERSON. I frankly do not know, Mr. Elston. It was set up, of course, for a very specific purpose, to find the men under 26 who are truly irreplaceable by reason of very special skills and experience.

Unless the committee holds those numbers down to a very small number, it will not succeed. Of course, I am sure you have in mind the fact that under the law the Director of Selective Service has the decision, and that the only action of an Interagency Committee like that would be advisory, which he is free, I believe, to disregard, and I think properly so.

Mr. ELSTON. Well, I certainly agree with you on that, that the Selective Service Director is the only one who has the final decision in the matter.

Mr. PATTERSON. I suppose the value of their work in advising him would depend upon the results; it will depend upon the character of the work the committee does.

Mr. ELSTON. Of course—

Mr. PATTERSON (continuing). And the impression it makes upon the Director of Selective Service.

Mr. ELSTON. So far as the Army and the Navy are concerned, you know you need the men, and you just know you cannot revise your schedules.

Mr. PATTERSON. That is right, that is the prime need of the great bulk of the men under 26, and it may be 28, or it may be 30 a little time in the future. I cannot say; but at any rate, 26 as of today, and the exceptions from that—the exceptions to be found by this committee, if they are to be of any value, must be of an extremely small character.

Mr. ELSTON. You feel that legislation is imperative and necessary now, and that we should not wait until this Interagency Committee has had time to function?

Mr. PATTERSON. No; I do not see the relationship between the two, Mr. Elston, and as I have said in my statement, I believe that we cannot afford, with safety, to fail to take further measures toward recruiting our manpower for the performance of civilian tasks that are essential to the winning of the war. Now, my own view on that is that it calls for national war service that attacks and will give us relief, both as to new recruitments in civilian industry of a war character to take the place of the men withdrawn from the military forces, and also the increases that we need in any event in such things as aircraft over the forces now engaged in producing aircraft, and it also enables us, I think, to handle the turn-over problem; and I know of no other measure that does.

Mr. ELSTON. You do not feel that the physical standards can be lowered at all, do you?

Mr. PATTERSON. No, sir.

Mr. BARD. I do not think there is any legislation necessary in connection with the activities of this committee. The head of Selective Service has full power, he can take every one of the men under 26 if he so desires. This committee is simply going to advise him, however, as to the essential ones that they hope to keep in order not to disrupt their production activities.

Mr. ELSTON. Of course, they can advise him on those things without even setting up the committee.

Mr. BARD. That is true and we have done that in the past, as I pointed out the other day. We have inducted 11,000,000 men, and we have, as finally pointed out by the Director of Selective Service, gotten along in very good shape all this time up to now; and that is what the Navy is doing at the present time. We are calling to his attention, list by list, the absolutely essential men we want to keep. All this committee is doing is to take our list and list of the services and lists of all these other agencies and endeavoring, I hope, to cut

them down on the basis that will not defer too many of these younger men, and then they advise the Director of Selective Service, and he proceeds as he sees fit.

Mr. ELSTON. Well, he is rather in the middle, because he has to furnish to the Army and the Navy the men that they must have. He has no alternative, he must furnish those men.

Mr. BARD. Well, our objective is not to keep him from getting them; our objective is to help him to get all the men he possibly can. At least, that is the objective of the Army and the Navy, and we hope and feel that he will have the same attitude that we have in that regard.

The CHAIRMAN. The real benefit of that Interagency Committee is the pooling of all these facts and figures at one time and one place in order to make a determination of who definitely should not be taken.

Mr. BARD. That is right.

Mr. PATTERSON. Well, that depends upon the results. If I were the Director of Selective Service and that committee came in and told me it was indispensable to keep 200,000 or 300,000 men under 26 in essential industry, I would throw the committee's results in the wastebasket. I mean, it depends upon the results.

The CHAIRMAN. It depends exactly upon what this committee does. In other words, if they really screen—

Mr. PATTERSON (interposing). Any numbers comparable to that, and in my view it is no longer admissible to keep men under 26 in civilian occupations just because it is hard to find a replacement, not truly irreplaceable, but just hard to find because that just takes it out of the Army or the Navy, and that is all it does.

The CHAIRMAN. The thought is that the only persons who should definitely be deferred are those who cannot be replaced.

Mr. PATTERSON. Just cannot be replaced in the training and skill that they have that others simply do not possess and cannot acquire within a reasonably short period.

Mr. BARD. The yardstick that is being used in a general way, we expect of our people who make up the list that they should ask for deferment only of those specialists and professional, highly skilled people whose absence would affect the quality, and not the production would affect the quality of our articles, such as submarines. We do not want them to take the men that weld hulls of the submarines, and send out rotten submarines for our sailors to sail, and the essential men that are necessary to maintain the high quality of the plant, or the submarine or the fighting unit, are the ones, of course, who should be deferred, not the men the loss of whom would affect production to some degree. If we have to suffer some cut in production, we are prepared to take that.

Mr. ELSTON. Mr. Bard, the Interagency Committee cannot very well do much that has not already been done by the Army and the Navy. They have both let it be known for some time what their needs are; there has not been any substantial change in the program recently. We have known for a long time what the Army would need and what the Navy would need. There is no reason why these facts that the Interagency Committee is investigating, the evidence that they are going to get, should not have been obtained a long time ago.

Mr. BARD. Well, I would point out to you that it probably would not be necessary at all, so far as the Army and the Navy are concerned, because they are on both sides of the fence. They want the men very badly, but all the claimants are not on both sides of the fence. Some of these other agencies have not the desire of getting these younger men that we have, so that that has to be impressed on the other agencies who, through this committee, will see how the Army and the Navy are operating. We hope the general effect will be that they will all tone down their requests and use the same yardstick the Army and the Navy are prepared to use.

Mr. ELSTON. Have you, as yet, met with this interagency committee?

Mr. BARD. They have not had a meeting as yet.

Mr. ELSTON. Have you any understanding as to how the members of that committee vote, and what voice each member has in the final decision that is to be made by the committee?

Mr. BARD. I think that will be determined at the first meeting of the committee that is to be held tomorrow.

Mr. ELSTON. Do you care to express yourself as to what voice you think the Army and the Navy should have in the committee?

Mr. BARD. Well, I would call your attention to a statement set out by Mr. McNutt, which I think indicates the answer. In the third from the last paragraph of instructions under which this committee was set up it says:

This committee will then transmit lists of approved activities and plants to the Director of the Selective Service System.

It does not say the chairman will transmit, or the committee will advise the chairman; it says that the committee will then transmit lists of approved activities and plants to the Director of Selective Service System.

Mr. ELSTON. Of course, you know that Mr. McNutt indicated here yesterday that he had the authority to overrule the vote of the members of the committee, and that he, in the final analysis, would make the decision as to what recommendation should be made to the Selective Service Director.

Mr. BARD. Yes.

Mr. SPARKMAN. He did not assume that the other committee members had a vote, he said voice only—

Mr. ELSTON (interposing). Sometimes a voice is a vote, and vice versa.

The CHAIRMAN. It would be your thought, Mr. Bard, that the only way in which this committee could be effective would be that the committee work as a unit, and the decision arrived at by the majority of the committee should be the recommendation of the committee, which should be passed on to the Director of Selective Service.

Mr. BARD. I certainly believe that is the way it should be handled.

The CHAIRMAN. It would not be proper for the group to make a determination and then have it subject to reversal by the chairman, and have the chairman carry his personal opinion over to the Director of Selective Service as the opinion of the committee, when the vote may be the opposite. The effect there would be that the chairman had

the right to direct what should be passed on to the Selective Service Director and what should not be passed on.

Mr. BARD. I agree with you.

The CHAIRMAN. It would seem to me that the whole benefit from an interagency committee would come from the joint activity and operation of all the members of the committee as a unit, rather than under the direction of some one individual who would dominate it, rather than simply be the agent of the committee.

Mr. ELSTON. Just one other question. Of course it is, I think, pretty obvious that a general national service act would not be passed at this time. I am wondering if you can just state to us, either Judge Patterson or Mr. Bard, the very minimum that you would recommend in the way of legislation to control this situation.

Mr. PATTERSON. Well, accepting it with your premise, Mr. Elston, that we lay to one side, for the moment at any rate, the prospect of the passage of a general national service act, my own idea would be that we should have an act calling for the utilization of the men between 18 and 37—that is the military age—who have been found physically wanting for full military duty, and have those men made available for assignment of work of a war character indispensable to the winning of the war of a civilian nature, and I would prefer to see it done under a director of national service rather than through the machinery of the Selective Service Act.

However, I do believe that in legislation of that kind very effective use can be made of the local boards and the Selective Service System in running it; but we should entirely take out the armed forces from having anything to do with it, and I think that it would be preferable, if Congress sees fit; otherwise, we will be glad to do our part in any system because we believe that the problems that will be confronting this country, or confronting this country in the nature of manpower shortages due to failure to fully mobilize our manpower, are very, very great problems indeed.

Does that make my point clear?

Mr. ELSTON. Yes; I think that is very clear.

Is that your viewpoint, too, Mr. Bard?

Mr. BARD. Yes.

Mr. SPARKMAN. Would you limit—

Mr. BARD (continuing). In other words, may I add, in talking about the 4-F's, you are only talking about a segment of the manpower problem, and if we cannot get the broad thing at this time, then let us proceed and get the 4-F situation cleaned up in as satisfactory a manner as possible.

Mr. SPARKMAN. Would you limit your taking to those that were physically unfit, or would you also include the others in the 4-F category?

Mr. PATTERSON. Oh, there would have to be standards set up, and I would prefer seeing them administered by local board standards with physical requirements, mental requirements, and the very same things that disqualify them for full military service, and see how that bore upon the ability of the men to perform civilian tasks. I suppose they could perform some, but not others.

Mr. SPARKMAN. Well, you would not let moral disqualification, for instance, disqualify them?

Mr. PATTERSON. Not in general, I would not. I can think of some things, perhaps, that would.

Mr. SPARKMAN. Now, let me ask you this, because we realize these things are details, but I am interested in them. Judge, you made reference to "made work" and you said that it would not be "made work" that these labor battalions or labor force, whatever you want to call them, would be called upon to perform. Furthermore, you said that they would not be utilized—I understood you to say that they would not be used in plants or in private employment—

Mr. PATTERSON. No; I did not mean that, Mr. Sparkman. What I meant was, I saw no need of legislation pointing to the creation, just pointing to the creation, of special labor units in the Army or the Navy. I saw no need of a thing of that kind.

Mr. SPARKMAN. Of course that is the way—

Mr. PATTERSON. The proposition, as I see it, is one to bring about the more effective use of the 4-F's. Of course, I was more particularly speaking just of the 4-F's in civilian pursuits of a war character, as civilians.

Mr. SPARKMAN. But those that are—

Mr. PATTERSON (interposing). Any use that could be made of those forces in Army or Navy units would be merely of the residue, a very small residue at that.

Mr. SPARKMAN. I want to ask you this about the small number of 4-F's, those who refuse or fail to go into private employment on their own and that you have to take into this labor battalion. Now I am just wondering how you would use them; would you use them for lumber, logging, and things of that kind?

Mr. PATTERSON. Whatever a unit of that kind could do in the way of supplementing shortages in civilian pursuits, like Mr. Bard suggested—the harvesting of crops, or something like that.

Mr. SPARKMAN. And the unloading of ships.

Mr. PATTERSON (continuing). Of that temporary character—no, I don't think they could be used on that.

Mr. PHILBIN. Who would determine where these men would be assigned to essential work?

Mr. PATTERSON. I suppose the services would have to do it in conjunction with other agencies, like the War Manpower Board. I would suppose so. That cannot be a very extensive activity, it just could not be under service auspices.

Mr. PHILBIN. Somebody would have to pick the essentiality of the occupations they would be referred to or assigned to.

Mr. PATTERSON. Yes.

Mr. SPARKMAN. Let me ask you one more question. In reference to these inductees, you would give these people, I assume, the benefits of the Unemployment Compensation Act. They would be Federal employees, would they not?

Mr. BARD. They would be in the Army under a special set-up.

Mr. SPARKMAN. Well, I know, but they are cut off from the benefits of the Army in that proposal. Now suppose one of them is injured or killed, what would be your idea about any Unemployment Compensation Act?

Mr. BARD. I do not believe anybody in the armed services can be under the civilian unemployment compensation.

Mr. PATTERSON. It would have to be provided by legislation, anything of that kind.

Mr. SPARKMAN. Well, that is what I am asking you. Certainly, if you are going to cut them off from the benefits of the armed services,

you ought to make some arrangement to take care of the individual in the event they become injured or killed while they are engaged in that work.

Mr. BARD. I think Congress should decide what they are entitled to. Perhaps they could have insurance like the men in the armed forces; but Congress should decide what their rights are, and limit those rights.

Mr. PHILBIN. Do you contemplate that they should be paid at Army and Navy pay?

Mr. BARD. Yes.

The CHAIRMAN. How would it be, Mr. Bard, if they actually came into the service later, would they receive the same pay as civilian labor?

Mr. BARD. The 4-F's going into civilian labor, of course, get the benefits of civilian labor; but this small residue you take over, you don't want to make it so attractive that they would come into that residue; you want to make it unattractive, so that they would go to work.

The CHAIRMAN. Any part you actually inducted into the Army or the Navy would receive the same pay as the regular personnel service of the Army and the Navy.

Mr. BARD. Yes; but that should be under special category set up by Congress, as I say, which should say what they are to do and explain their rights.

Mr. PHILBIN. Judge Patterson, could you tell us whether you have now, or expect to have in the immediate future, any substantial or sizable unemployment or number of separations from industry, essential industry employment, due to the cancelation of war contracts?

Mr. PATTERSON. We do not anticipate any substantial amount of unemployment in the Nation. I do not see how it is possible, with the large number of men required for military service, more than we have now, and with the continuing need for war production which, I remind you, on the whole, for 1944, is to be larger than for 1943. With those demands for manpower, in addition to the regular demands of manning the essential civilian economy, I do not see how there is a chance of any large-scale unemployment in this Nation.

Mr. PHILBIN. There are a considerable number of cancelations—

Mr. PATTERSON. For this year, I don't see how there is a chance of it. There might be in some little localities, but the thing to do there, of course, is for the men to go to the next locality and get into indispensable work.

Mr. PHILBIN. Up to this time there has not been—

Mr. PATTERSON (interposing). No, sir.

Mr. PHILBIN. In any area that you know of?

Mr. PATTERSON. They have got what they call labor-surplus areas but the surplus is not very large.

Mr. PHILBIN. Your thought is that in case where you canceled contracts and the people fell out of work and there is other essential employment in the locality, they should immediately get into it.

Mr. PATTERSON. In almost every case. We try, of course, in all of the cut-backs that we do make, to make them so that they affect

the contracts and plants in places where there is a tight labor situation already, and therefore it will ease the labor supply in other plants in that same neighborhood that will require workers, and that has been the effect in a great majority of cases. There will be dislocations from time to time as our needs change, there have been already, but the over-all need goes up.

Mr. BARD. There will be unemployment in certain areas if they do not move to the other areas where they are needed. That is one of our arguments for the National Service Act.

Mr. PHILBIN. You want the power to shift them around.

Mr. BARD. Yes.

Mr. PHILBIN. And place them where they are needed—I mean that is the reason for that decision in regard to legislation.

Mr. BARD. There are some places now where they are drawing unemployment insurance because in that particular town there is nothing for them to do. We will all agree to that.

Mr. PHILBIN. According to the testimony we had here yesterday—

Mr. BARD (interposing). That it is ridiculous for anybody to draw unemployment insurance now when we have the need for them some place else, a terrific need for them.

Mr. PHILBIN. Now, I had occasion recently to observe in the press, Judge Patterson, that the Army, or perhaps the Army and the Navy, were shipping shells in steel cases because they could not get lumber. Is that something that is continuing, is that the policy that the armed services are going to pursue?

Mr. PATTERSON. No; my understanding is that most shells are shipped in fiber cases. I have seen a great many of those cases. Well the sides of the cases look as though they were made of roofing paper, tough fiber.

Mr. PHILBIN. I read an account in the press which strongly intimated that because of the difficulty in getting lumber or other materials for making cases for shipping ammunition and shells, you are now going to use steel cases; and that another reason for using steel cases was the slow-down in the steel industry.

Mr. PATTERSON. I don't know. I will have to look that up, Mr. Philbin, I am not sure.

Mr. ELSTON. Judge Patterson, I am wondering what sort of a penalty you would suggest in the event either of getting these 4-F's into industry or requiring them to work in essential plants. Suppose they refused to be transferred?

Mr. PATTERSON. Well, you would have the penalty, what penalty you have right now, say, under the Selective Service, the penalty of penal sanctions and fine or imprisonment.

I am speaking now of plans for which I express a preference, to provide a form of national war service. My first vote is always for full national war service.

Mr. ELSTON. What would you do with the fellow who says, "All right, I will take the job, but I won't work."

He would not be a good workman.

Mr. PATTERSON. That would be, if he were able to do that, the equivalent of refusal.

Mr. ELSTON. What would you do in the case of a man who would be sent to work, for example, in a coal mine, but he did not want to join the union, and all the miners belonged to the union.

Mr. PATTERSON. I think he would have to take the employment with the ordinary incidents of other people in that employment.

Mr. ELSTON. You mean he would have to join the union?

Mr. PATTERSON. I think so. I have not thought that through, but that would be my offhand opinion.

Mr. ELSTON. Well, then, you would impose a penalty upon him if he did not join the union.

Mr. PATTERSON. I think the theory of it—this is getting kind of deep, Mr. Elston. I think the theory of it is that the existence of an organization there means improvement of his wages and other working conditions.

Mr. PHILBIN. He is only to get Army wages, according to this plan.

Mr. PATTERSON. No, no; he would get, according to any plan that I would give any consideration at all to, civilian wages, and be deemed a civilian, and live at home, and not in barracks, or anything like that.

Mr. BARD. He gets Army wages only if he doesn't go into civilian industries—fails to go into civilian activities.

The CHAIRMAN. Civilian labor would receive civilian wages, and if they were inducted into the armed services, only then would they receive the pay of men in the armed services.

Mr. PHILBIN. What ones would receive the Army wages?

Mr. BARD. The 4-F's who would not voluntarily take civilian jobs and were then inducted into this special category, they would get Army wages; but the civilians accepting work in civilian plants would get civilian wages.

Mr. PHILBIN. Well, what you are doing is to use the power of Selective Service to induct these fellows into the employment, and if they were made members of the Enlisted Reserve they then would receive Army wages.

Mr. BARD. Yes.

Mr. PHILBIN. That would cover most everybody that you took, wouldn't it?

Mr. BARD. It would cover those that you took for this special group I am talking about that would be left from the 4-F's.

Mr. PHILBIN. I am speaking also of the 4-F cases.

Mr. BARD. Yes; but we hope that group would be very small.

The CHAIRMAN. As I understand it, Mr. Bard, if you induct these men into the services and then furlough them back into industry, they would merely be on an inactive reserve status, and would be treated the same as civilians in industry; they would still get civilian pay.

Mr. BARD. Yes.

The CHAIRMAN. If, however, they refuse to work, then you would call them back to active duty in the armed services, and they would no longer be placed in civilian labor at all; they would be given some type of work within the armed services. Of course, they would receive military pay rather than civilian.

Mr. PATTERSON. We have precedents for that now, as you know, Mr. Chairman, in the men who were put on reserve status to go to work in the copper mines.

The CHAIRMAN. Those men became civilians again and received civilian pay.

Mr. PATTERSON. In substance, yes, sir.

The CHAIRMAN. Any time you wanted to and you found they were not working in the copper mines, or had left their employment, then the Army was in a position to call them back into the services immediately.

Mr. PATTERSON. Exactly.

The CHAIRMAN. It would not be your thought, any men who might be inducted into the services, to use them subsequently in civilian labor. The type of men who are actively called into the services would be used for some type of work for the benefit directly of the Army or the Navy, is that correct?

The thought I have in mind—take the case of a man inducted into the services, then you put him on reserve status and furlough him out to industry, and later on you find he quits his job, the only real control you have would be to call him back into active duty in the services.

Mr. PATTERSON. Yes; we have no use for him in a military capacity, or mixing in with the rest of the Army, none at all. It would have to be strictly an auxiliary unit for use somewhere else altogether, because some people have the impression, and I assure you it is a mistaken impression, that the Army has a real need for that man, and so forth. It has no need for the man.

The CHAIRMAN. Well, the Army may have to make work for them. In other words, put them out at some camp, if you find you no longer need them.

Mr. PATTERSON. That is what you are suggesting, that Congress set up an auxiliary unit that would not do anything for the military people but would harvest crops or do the same kind of work as the C. C. C. used to do, whatever is necessary throughout the country.

Mr. ELSTON. That is exactly what is in the Luce bill, section 4 will be auxiliary, but not a member of the armed forces of the United States.

Mr. BARD. Yes; is that in the last bill?

Mr. ELSTON. No; it is in the first one.

Mr. BARD. All right, that is what you are talking about.

Mr. ELSTON. You would prefer it to be auxiliary, but not a part of the Army or the Navy.

Mr. BARD. That is correct.

The CHAIRMAN. In other words, these men who are called up would definitely be surplus quota, entirely apart from the present totals of the Army and the Navy.

Mr. PATTERSON. Yes, sir; but that does not meet the real need.

The CHAIRMAN. That is right. In other words, they are not serving the useful purpose the quotas are and that you feel are necessary to carry on the war effort.

Mr. PATTERSON. The real need is what I tried to sketch in the beginning of this statement here, of men in the civilian manpower forces of the Nation and a way of recruiting them enough to do the essential war work, much of which is now being done by men who are surely going into the armed forces on account of their youth and vigor. Now how are you going to replace them? You cannot do it by this special unit.

The CHAIRMAN. You feel, Mr. Patterson, that the labor situation is going to reach a definite critical stage, as soon as we reach out and take these men under 26?

Mr. PATTERSON. Yes; I believe so.

The CHAIRMAN. You do not think just ignoring what lies ahead and trying to use the same means we have used in the past months in getting a labor supply will be sufficient to solve this problem that is definitely coming up ahead of us.

Mr. PATTERSON. I do not think we can take a chance.

The CHAIRMAN. Do you feel the same way about that, Mr. Bard?

Mr. BARD. Yes, sir; what Judge Patterson indicated in his statement. There are about a million, we think, of these 4-F's who are not engaged in essential industry. If any plan could be devised of putting those million or a great part of them into war industry, it would more than take up the slack, more than we are taking under 26.

The CHAIRMAN. Well, as I understand it, there are about 365,000 men who have been deferred under 26 years of age, and out of those not more than 30 percent would be found physically unfit, which means possibly 240,000 or 260,000 men who would be liable for service if not deferred as a result of this interagency committee action. We have got to have a lot of the men in the older brackets because we cannot take all of those under 26.

Mr. PATTERSON. Correct.

The CHAIRMAN. Some solution definitely should be found to solve the evident disappearance of manpower that is going to take place as soon as this draft begins.

Mr. BARD. It is necessary to take some action with the 4-F's right away, and also the other thing that it does, it keeps the men that are to be created 4-F's between now and July 1, there probably will be 300,000 or 400,000 that will become 4-F's between now and July 1, and we want to keep them on the job that they are now in.

Mr. PHILBIN. Mr. Bard, do you have definite figures that about 1,000,000 are engaged—4-F men—are now engaged in essential industry?

Mr. BARD. I don't know. Judge Patterson said that was a rough estimate, I don't know the basis—

Judge PATTERSON. I don't believe we have any reliable statistics.

Mr. BARD. I don't believe anybody knows.

Mr. PHILBIN. I may state that Mr. McNutt testified yesterday that approximately 500,000 were engaged in the wholesale and retail trade, about 300,000 were engaged in service activities and about 50,000 were engaged in finance, insurance, and real-estate business, so that at least there would be about 850,000 4-F's apparently who are not directly engaged in war-connected activities.

Mr. ELSTON. I would like to say to both Judge Patterson and Mr. Bard, since the first Luce bill was introduced—I believe it was last October—conditions have considerably changed and I am wondering if it would not be well to study both that bill and her subsequent bill and make recommendations to this committee, that is, let us know if the two bills, considered together, with such amendments as you might suggest, would solve the problem.

Mr. PATTERSON. I believe we did report on the first bill, and reported unfavorably.

Mr. ELSTON. I believe at that time, Judge, however, there was a thought we might have a national service act. Now I think it is pretty well known that that kind of an act will not be passed, at least not soon.

Mr. PATTERSON. No; I hate to admit that. I see the need of it so keenly.

Mr. BARD. Were there three Luce bills or two?

Mr. ELSTON. Two.

Mr. BARD. And you are speaking about the original.

Mr. ELSTON. Yes.

Mr. BARD. I would be very glad—

Mr. ELSTON. In other words, we have that legislation before us, and if it can be amended to meet your requirements, and you could suggest those amendments to us, we certainly would be glad to consider them. I realize that you reported adversely on the first bill, but I do not believe any report has been made on the second bill at all.

Mr. PATTERSON. No, sir; it has not. I don't think our views have been requested yet.

The CHAIRMAN. The bill was introduced on March 3.

Mr. BARD. We will be very glad to do that, go over it, speaking for myself.

Mr. PATTERSON. I think in the framework that it should be pointed to the use of the 4-F's as civilians in civilian labor, for it is for that that the Army needs them and should use them, not special units, and so forth. I assure you that will not work, and does not point to the problem at all. I think it could be amended along those lines.

Mr. ELSTON. That is what I was suggesting, that you indicate what amendments you thought would be helpful.

Mr. PATTERSON. These are the things, these shortages in essential war industries; they are not jobs for special labor units to do, aircraft, ball bearings, railroads, logging, coal mining, cotton textiles. You cannot set up a cotton-textile plant and put a battalion in to operate that plant. That won't do.

The CHAIRMAN. They might need 10 men in the plant.

Mr. PATTERSON. Yes, sir; and they ought to be drawn out from civilian manpower of the country as civilians to work there for fair wages and, say, just like the other people that work there.

Mr. ELSTON. I have the bill before me, and it seems to me that the one thing this bill provides for, it says:

The Secretary shall detail such numbers of members of the corps as he deems necessary for work at the place of employment of any such employer.

It seems to me that this does do just exactly what you are asking for.

Mr. PATTERSON. That is the old bill; isn't it?

Mr. ELSTON. Yes. That is the first, and I am asking you if it might not be well to reconsider.

Mr. PATTERSON. I would be glad to look it over again, I am not familiar with the details of it now, Mr. Elston, I read it at the time it was introduced last fall. I think I may have sent the report down here at the time.

Mr. ELSTON. Well, in the light of changed conditions, obviously what you reported at that time might be subject to some revision.

The CHAIRMAN. I might ask this one final question of both Mr. Mr. Patterson and Mr. Bard, whether the Army and the Navy would be ready to proceed under such a proposal as you have indicated in the event that legislation would be passed at this time and the services would be in a position to take charge of the utilization and directing the use for the men who are classified 4-F, or classified between the 38 and 45 age group, if the Congress were to adopt any legislation on that subject.

Mr. PATTERSON. Surely, we would do our very best.

The CHAIRMAN. We appreciate very much both of you coming down this morning and taking time away from very busy offices to give us this testimony.

This will conclude the meeting of the committee this morning, and the committee will meet again Friday morning at 10:30, when we will have some representatives of the tool and die industry who desire to be heard.

(Whereupon, at 12 M. (noon), the committee adjourned until 10:30 a. m., Friday, March 31, 1944.)

INVESTIGATIONS OF NATIONAL WAR EFFORT

FRIDAY, MARCH 31, 1944

HOUSE OF REPRESENTATIVES,
SPECIAL COMMITTEE OF THE COMMITTEE ON MILITARY AFFAIRS,
Washington, D. C.

The special committee met at 10:30 a. m., pursuant to adjournment, in room 1310, New House Office Building, Hon. John W. Costello (chairman) presiding.

Present: Representatives Costello (chairman), Sparkman, and Philbin.

Also present: H. Ralph Burton, general counsel to the committee.

The CHAIRMAN. The committee will be in order.

We have before us today Congressman Bland and Congressman Peterson, who have requested that they might be heard briefly with regard to the fisheries industry. I will call Mr. Bland.

STATEMENT OF HON. SCHUYLER OTIS BLAND, UNITED STATES REPRESENTATIVE FROM VIRGINIA

Mr. BLAND. Thank you very much. I am going to take very little of your time. I inserted in the record, yesterday or the day before, a matter covering the details of the fishery situation. I have a copy here, and I am going to ask that it be made a part of the file.

The CHAIRMAN. I will be very happy to have you do that.

Mr. BLAND. I shall also ask to make a part of the file Committee Resolution No. 10, adopted by the full Committee on Merchant Marine and Fisheries a few days ago, which has been submitted to the various agencies saying what we thought ought to be done, and the men that ought to be deferred. The only other things not covered in there, and will be covered by insertion in the record today, are a number of telegrams. I will read only one of those telegrams. I have a telegram from the Virginia Fisheries Association, signed "V. L. Hodges, secretary"; also a telegram from the department of tidewater fisheries, George T. Harrison; and a further telegram from the Maine Sardine Packers Association. The telegram from the department of tidewater fisheries, Mr. George T. Harrison, of Baltimore, Md., seems to be the first, and I think pretty fully covers the situation. I will read that, and I will furnish a copy of this telegram for the files:

Appreciate anything you can do to have all-around fishermen and keymen in sea-food producing plant put on critical list. Most young men 18 to 30 in the industry have already enlisted in Coast Guard, Navy, and been drafted. What few young men are left are absolutely essential and needed to maintain sea-food products. We do not feel that there are more than 100 men left in Maryland between 18 and 26 that are fishing large pound nets and keymen in sea-food processing plants. Most pound-net rigs are owned by old men that obtained the services of all 4-F's and old men they can get. Each rig certainly needs one young man that is experienced and able to handle pound-net poles as long as 65 feet. Young men under 18 do not have the experience; old men not enough strength to do the job.

Respectfully yours.

The Virginia telegram brings in some other features:

Manpower situation most critical among sea-food industry within this area. Production already subnormal because sufficient manpower not available to man fisheries, processing plants, fish freezers, and primary distributing houses. United States employment agencies unable furnish additional men needed because shipyards defense projects, etc., seemingly have already absorbed all available men; consequently the prospect of further skilled men being absorbed by draft is truly alarming because it would mean further decrease in supply of food fish, fish products, and fish oils, all of which are urgently needed. Although definite figures not available believe number skilled men under 26 engaged in sea-food industry comparably small, perhaps less than 300 in critical key positions within State of Virginia. Considering volume produced and importance of sea food as vitamin food believe number men involved is small in comparison with any other food-producing industry. Feel sure you realize and will agree that the sea-food industry, from standpoint of food production, is equally vital and should be accorded identically the same consideration as farming.

One other thought I want to express about that is that one of the fisheries involved here is the Maine Sardine Fisheries. From the Maine Sardine Fisheries and very many of these fisheries we get sea food and oils and we make meal, which is so important for consumption by cattle, and poultry, for eggs. The oil is absolutely necessary, and all contracted for by the War Department because it is the only oil that can be used for the hardening of bearings in automobiles and other bearings necessary in the war service.

I have asked Mr. Peterson, chairman of the subcommittee, to also make a few remarks.

STATEMENT OF HON. J. HARDIN PETERSON, UNITED STATES REPRESENTATIVE FROM FLORIDA

The CHAIRMAN. Mr. Peterson, we are very glad to have you with us.

Mr. PETERSON. Mr. Chairman, the problem outlined by Congressman Bland shows the situation with reference to the fisheries. We have had for several days a series of hearings, and we are going to boil down everything to you roughly, and just hit the high spots. I think that one thing that became most impressive to us was the high percentage of food that is being produced by the fisheries. It was testified by the National Research Council that, per man, the fisheries produced more food than any other group of food producers. That statement shows that the second highest amount of food was produced in the heavy Corn Belt by the hog raisers in the area of the heavy production of corn. The production average of the fisheries per man is on the average of 54,000 pounds of food per year, and these are some outstanding examples and are examples of the way in which maybe one or two keymen may tie up an entire boat.

In the out-fisheries of Maine the average catch per man engaged, with large, medium, and smallboats, is 126,000 pounds per man per year, and one boat produced 235,305 pounds—nearly a quarter of a million pounds of fish per man per man-year.

Then in the average, the purse-seine fisheries, in Virginia, averaged 142,000 pounds per man-year, and the purse-seine fisheries in New Jersey averaged 293,000 per man-year—that ran over a quarter of a million per man-year. For the purse-seine fisheries in California, the average was 627,000 pounds per man-year—I don't know why California gets ahead so many times, but the facts stand out, Mr. Chair-

man. Nearly three-quarters of a million pounds per man produced in the fishing industry.

I will not attempt to give the various other statistics, Mr. Chairman, but with your permission I will insert those in the record, because I have boiled down the results.

These are some of the things that happened with reference to the fisheries:

First, at the outbreak of the war—prior to the outbreak of the war—a lot of the young fishermen enlisted in the Navy, and a high percent, as the records will show, enlisted. Then later on in those areas shipyards came and a number of the skilled mechanics went into the shipyards so that the fisheries are in the position now and for a long time have been scraping the bottom of the barrel. They have tried to use the old men, over-age, and tried to use the young boys coming on, and have been doing that, too; but you have situations in which you have to have experts, you have got to have engineers, you have got to have captains who know the waters and know the fishing, and it has reached a point now in many instances that the taking of one or two key men will tie up an entire boat. So, when you have this manpower situation here and see a man producing from 150,000 to 600,000 pounds of fish, and then you tie up a boat with a crew of 20, one or two men have tied up 20 times this figure per man. That is the situation, and it is surprising, too, how strikingly few are left. These figures I will give in detail.

Now it is estimated that of the commercial fishermen left under 26 years of age, there are only 8,683, less than 9,000, left. Now some of those may not be occupying key positions, so you see, when compared with the over-all manpower of the United States, it is a negligible percent as compared with the immense amount of food they produce.

Then of the key shore workers—and it is important, of course, after you catch fish, to see that they are processed, that they do not spoil—it is an almost infinitesimal number of 676 key shore workers left under 26 years of age; so that is roughly the problem, the small amount of manpower and the large amount of food which can be produced, the bottom already having been scraped because of the large percentage that went into the armed forces, and then some went into war work.

Our very able chairman, who has done so much for this great industry, has told you we had these extensive hearings and have boiled them down. Now we are not going to call any witnesses—

Mr. SPARKMAN. Mr. Peterson, before you go away—you may have mentioned this—roughly speaking, what are those key positions on the ship?

Mr. PETERSON. They are captains and engineers; we have them listed in our resolution. However, we have culled them out; the captain of a fishing vessel, the mate, the chief engineer, the second engineer, the oyster culturist, the sponge gatherers, bleachers, cutters, and trimmers.

Of course, the entire output goes into war production.

Commercial fishermen, including catchers of seafood, all around—now those all-around men have got to be able to splice wire, to tend nets; you can take a large number of the overage men, possibly, but the one man who can do pretty nearly anything—

The CHAIRMAN. Generally he is the man who does the mechanical work.

Mr. PETERSON. He is the man who does the mechanical work, if anything goes wrong—he might correspond, I guess, to a flight engineer on a bomber; he knows a little bit about everything.

Mr. SPARKMAN. These positions you are naming, are those men irreplaceable?

Mr. PETERSON. Yes, they are irreplaceable; if you can imagine trying to run one without a captain—

Mr. SPARKMAN. No, I am not talking about trying to run one without a captain, I am talking about trying to train someone to take the captain's place.

Mr. PETERSON. You haven't anyone to train him. Now you are using all of the older men of the type you mention; the young man, by the time you train him, if he has been put on the critical list they grab him. There is no use taking a man in and training him for 2 years and then turning him loose again.

The CHAIRMAN. It takes quite a time for a young man to learn to become a skilled fisherman.

Mr. PETERSON. Yes; it takes quite a time for the younger men to become skilled fishermen, and yet you waste time. In other words, a skilled fisherman will take his bearings early in the morning, will go out and look at a star, and can go direct to his fishing grounds. If anything happens he knows just what to do, but you can take even any small craft, you put a man on who does not know just those particular waters, and he will wander all around, and it is possible he would lose a great part of the day trying to find the fishing grounds.

Mr. SPARKMAN. I did not mean the importance of the men in the position; I assume they have been carried as essential workers thus far. Have you got for the record—

Mr. PETERSON. They are carried as essential now, but the situation is becoming critical.

Mr. SPARKMAN. Have you applied for deferment?

Mr. PETERSON. Yes; and those local boards, some of them, have not understood it and a lot of these young boys just went anyhow, rushed into the service. In some instances when the Coast Guard took over a boat they took the whole crew; they are returning the boats but not the crews.

Mr. SPARKMAN. What is the total manpower used in the fishing industry?

Mr. PETERSON. I have those figures here, 122,000 fishermen and 90,000 shore workers.

Mr. SPARKMAN. In other words, a total of 212,000.

Mr. PETERSON. 212,000; less than 9,500 are 26 years old or under.

The CHAIRMAN. Is that for the entire country?

Mr. PETERSON. Yes; that is for the entire country; 9,500 out of 212,000, only 4 percent.

Mr. SPARKMAN. I understood the 9,500 represents the number under 26 whom you want deferred; in other words, key personnel.

Mr. PETERSON. I do not say that all of those could qualify. I mean they are absolutely in that class.

Mr. SPARKMAN. It just struck me—

Mr. PETERSON. Some of those might not qualify, that is the age limit. Some of those, of course, may be 4-F's and a number of those

may not qualify for key positions; but when you cut those to 4 percent, of your over-all in that age, you see from those figures you have pretty well scraped the bottom of the barrel.

Mr. SPARKMAN. It just struck me that if we are insisting that industry cut its key position deferments down to something like 35,000, as the program has been announced, 9,500 for the fishing industry would be a little out of line, I think.

Mr. PETERSON. We are not asking—these are the ones within the age. Now some of them do not occupy key positions.

Mr. SPARKMAN. You do not know how many?

Mr. PETERSON. No, sir; we have not gone that far. That is the number within that age in the industry. Some would be 4-F's, taking the average, those physically unfit for service, then those that are not in key positions.

Mr. SPARKMAN. They can stand the hardships of fishing at sea, yet they cannot stand the hardships of service.

Mr. PETERSON. As a matter of fact, under the present physical standards of the Army, neither Napoleon, Caesar, nor our great southern General, Nathan Bedford Forrest, could qualify as a private.

Mr. SPARKMAN. Nor Lord Nelson.

Mr. PETERSON. That is right. It is actually true that, physically, some of these possibly can stand the rigors of the sea, some may have bad eyes and some may have some other ailments, but they might not stand—some of these, of course, would not qualify. That is your maximum, you see, when you scrape the bottom to that point.

Now another thing we are concerned about; the President made a statement which may have been partly facetious. He said the young men and the old men could man these fishing vessels, that he was a good fisherman at his age, and then the boys have felt that they have to take everybody. As a matter of fact, the statement is true, the old men, over-age men, can fish. That is what I intend to do the latter part of my life—and the young men can fish, but still you have got to have the keymen. If you tie up the keymen, then you have tied up your fleet, and you haven't got any place to draw your keymen from.

The CHAIRMAN. Most of these keymen would be sons of men who own the boats. In other words, they have been raised on the sea and the men have gone out as youngsters and gradually acquired skill.

Mr. PETERSON. That is right, but not in all instances.

The CHAIRMAN. But that is more true than in any other industry.

Mr. PETERSON. More than in any other industry. Down in Congressman Bland's district I have often heard the statement made, even before I came to Congress, that the children learned to swim there before they learned to walk.

I have been in waters where there are rocks here and rocks there, and I have gone out there just at dawn where I could hardly see around and I have seen fishermen go through those waters with rocks all around there, and I said, "How do you know where the rocks are?" And he said, "Mr. Peterson, how do you know how a fish knows how to swim? I can run a boat over here day in and day out and never hit a snag, but I cannot tell you how to do it. It comes by intuition. I have been doing this since I was a kid."

You can take a man who catches sponges, take the sponge industry, and I want to emphasize this, because there is only a small manpower—you take the diver, and you have tied up the sponge fleet. We have tried to get youngsters now to come and do the deep-sea diving; we have tried to get some Indians to do it. Those divers we have now mostly are Greeks, and they have been diving since the time of Christ; their ancestors were engaged in the commercial sponge fisheries at that time; they go down in light diving gear, and take the sponges along the bottom. Now they know that eventually they are going to get the "bends" and have diver's paralysis in the later days of their lives. They know it, it is inevitable. The old divers that have been trained that way, you cannot replace them, try as you may, and we have tried, and we have even tried to use imported divers. That is roughly the problem.

I don't want to take too much of your time. You have been very kind, and I don't want to interrupt your program. The gentlemen who are to appear will expand it and give such information as you may want later on. Mr. George W. Porter, of the War Food Administration; Mr. David W. Fessenden, of the War Manpower Commission; and Mr. Hugh Frampton, who represents the fishing industry in a large area of the country. They have furnished a lot of information and will furnish more to this committee, and Mr. Chester Moore, representing the Maine sardine industry, all of them have been very helpful to our committee. We found them very cooperative. We have had various groups there. At the present time they are trying to work out a plan and to approve some funds for borrowing from lend-lease to dehydrate fish; some of it they are going to use for human food, and oils to use in the war effort, and proteins that go into cattle and poultry food.

Thank you very much.

The CHAIRMAN. If any of you gentlemen have a statement you would like to file for the record—

Mr. BLAND. I will file later in the day a statement which I will hand in.

Mr. PETERSON. With your permission I will conclude my statement with these extensions.

The CHAIRMAN. All right.

STATEMENT OF HON. GEORGE J. BATES, UNITED STATES REPRESENTATIVE FROM MASSACHUSETTS

The CHAIRMAN. Congressman Bates, I understand you want to make a brief statement to the committee. We will be very glad to hear it.

Mr. BATES. Mr. Chairman, I did not know that this meeting was to continue this afternoon. I have got just about 20 minutes to make a plane, so what I say will necessarily have to be very brief. But I could not let this meeting go by without calling your attention to a very critical situation facing the fishing industry in the Atlantic area, and particularly the North Atlantic.

I represent, among other cities, the city of Gloucester, which is one of the largest and one of the oldest fishing communities in the whole United States.

It was only by coincidence about an hour ago that the secretary of the Chamber of Commerce of the city of Gloucester called me on the telephone, and in his office at the time were the captains of three fishing vessels who came there to talk to him in regard to what they are going to do with their fishing boats if the War Manpower Commission or the Selective Service System continues to keep them all in 1-A. The situation today is that we are desperate; there is a great shortage of fishermen to man the boats; there is a great shortage of shore workers to cure the fish, skin the fish, and process the fish after it is brought in from the various fishing areas in the North Atlantic.

Now a great number of fishing boats were taken over by both the Coast Guard and the Navy over the period of the last 2½ years. We are now in the process of returning those boats.

Again it so happened as a coincidence that this morning I was working on that very problem in order to get these boats back in order that these men may go fishing to augment the food supply. I think testimony can be offered here by those very familiar with the fishing, to show that the per pound of food delivered per man by fishermen is in excess of the production per man of any other kind of food that is raised or produced in the whole United States.

Now they called my particular attention to that. I am going home now to investigate it further, that when these boats—I have nine here that have been returned and are being returned during the last 4- and the next 3-week period, and they are in great desperation to know just what they are going to do about operating those boats. Now they are taking even the captains of the boats and 8 happen to be under the age of 26, and along with that, they are attempting to take a large number of mechanics, the chief engineers of those boats, and because of the shortage of mechanics who belong in the fishing industry, they find that they will be unable to take care of the repair, and that is the over-all problem that will confront the great fishing industry unless some relief is found for that problem. So I want to say these few words to you, Mr. Chairman, realizing that you too come from a coastal area, an important fishing center—I am very familiar with it—and I just want to call your attention to the situation in order that your committee may give it very close attention, and at the same time I wish to leave with the committee a statement, together with a report of a survey that has recently been carried out by the Gloucester Chamber of Commerce and the fishing industry in the city of Gloucester, to give you first-hand information as to what the actual facts are insofar as the shortage of manpower is concerned, and the very critical situation they will face unless some relief is found, or some means found by which these keymen can be maintained in the fishing industry.

I will also submit to your committee a part of the report and statement from the Atlantic Fishermen's Union, signed by Frank P. Gomes and Alphonsus F. Hayes, who are representatives of the Fishermen's Union. (See Appendix.)

I deeply appreciate this opportunity, Mr. Chairman, to say these few words to your committee on a matter which is of great importance to a city like Gloucester, where 60 percent of all of its industrial employees are engaged in the fishery industry.

Thank you very much.

The CHAIRMAN. We appreciate your appearing before the committee, and the matter submitted by you may be placed as an exhibit in the record.

Mr. BATES. Thank you very much.

The CHAIRMAN. Colonel Keesling, I understand you have prepared some figures regarding the present status of the manpower situation. I would appreciate your placing them in the record at this point, if you will.

**STATEMENT OF COL. FRANCIS V. KEESLING, JR., OF THE
SELECTIVE SERVICE SYSTEM**

Colonel KEESLING. Yes, sir; I will be very pleased to furnish these figures that I am about to submit. They will constitute a supplement to our last report to the Committees on Military Affairs of the Senate and of the House. It is my understanding that you do not desire to have us file the full report until after the recess.

The CHAIRMAN. That is correct.

Colonel KEESLING. Inasmuch as these hearings which have been going on have gone into the matter quite fully, and inasmuch as these figures as of March 1 are to be released shortly in our own publication, I believe that it would be advisable, with your permission to present them at this time to the committee. They are as of March 1. The figures in the last report were as of February 1.

Generally, of course, you will note that in classes 3-A and 3-B (pre-Pearl Harbor fathers) there has been a large decrease. Those figures now total 1,432,000. I believe the February figures showed that there were 2,500,000 in those classes. That shows that the pre-Pearl Harbor fathers are being reclassified out of the classifications into the occupationally deferred classifications or into the class 1-A for processing for physical examination or appeals, and so forth.

The figures also disclose that in 1-C, which consists of registrants who have been inducted and enlisted, there are 9,502,000, including 215,000 fathers. It is interesting to note the very important comment that is made under classification 1-C to the effect that the 9,502,000 includes a substantial number of registrants who have been discharged or released from the armed forces, and who have not been included in class 4-F although they are physically and mentally the same type of individuals as 4-F's. The only reason we have not placed them in class 4-F is that we left them in 1-C for the purpose of our credit computations.

Now actually, therefore, if you take the 3,623,000 listed as being in class 4-F on March 1, 1944, and add to that the number who will go into 4-F from among the 1,432,000 remaining in class 3-A and also add those who will go into class 4-F from among the 1,871,000 who are in class 1-A as of March 1, there will be a substantial increase over and above the 3,600,000 4-F's. That would give you in 4-F, after completing the processing of those in 1-A and those in 3-A to final conclusion when 1-A and 3-A will be practically eliminated approximately a million more. At that time the remaining personnel would be mainly in the occupationally deferred classifications, or in 4-F. I believe that the number in 4-F at that time, and this is just a guess, without the customary accurate determination, would be somewhere between four million six and five million, to which, if you

add the over 1,000,000 discharges who are not in 4-F but who are in the same status as the 4-F's physically, you would have in the neighborhood of 6,000,000 over which there is no control, unless some proposal such as the committee's proposal takes shape.

The 6,000,000, or whatever the figure would be, is confined solely to those between 18 and 37, inclusive. In addition to that 6,000,000, about one-half of the 5,300,000 occupationally deferred would be in a physical status comparable to 4-F's, giving an additional 2,650,000 not subject to current controls. Those figures do not include any of the 7,000,000 between 38 and 45 who are liable for military service, but who are not now being taken in except in rare situations.

In connection with that 38 to 45 group, it should be pointed out that we never did finish processing that group toward induction as we processed them for induction only from after Pearl Harbor when the age was raised from 36 to 45, until about a year later in December 1942 when the age was administratively lowered to 38. We have made estimates that there are a large number of nonfathers in that group between 38 and 45, who could pass the Army and Navy general-service test—somewhere, I would guess, between 300,000 and 400,000 of them. But it is the Army's position and the Navy's position, however, that although they could pass the test, they would not have the stamina to undergo the rigors of modern warfare. However, that group, and many others within that group, would be or could be available for work of national importance on the home front, provided some such controls were placed over them as the Committee has suggested.

The figures are also interesting with respect to those under 26 years of age in classes 2-A and 2-B combined, and classes 2-C and 3-C combined. The note that you will see under those classifications combined is as follows:

Classes 2-A and 2-B figures include approximately 574,000 under 26 years of age, of whom 330,000 are nonfathers. Class 2-C and class 3-C (deferred in agriculture) figures, include approximately 613,000 men under 26 years of age, of whom 530,000 are nonfathers.

I suggest this statement from which I have been reading be placed in the record following my testimony. (The statement referred to appears as exhibit A following Colonel Keesling's testimony.)

The CHAIRMAN. Colonel, do you have any estimate at all as to the number of persons who are not connected with any war activities, either in the 4-F group or the 38 to 45?

Colonel KEESLING. I was here when Judge Patterson testified, and I would prefer not to make an estimate at this time, but I would like to call the committee's attention to a wire which I did not put into the record the other day because so much else was involved at that time that I did not want to confuse the issue; but I would like to put this wire in the record at this point which shows exactly what we are now doing with respect to the men under 26 years of age in the occupational classification. The wire sets forth the procedure to be followed in giving them a preinduction examination.

Those who after the examination, are found to be in a physical status comparable to 1-AL, limited service, or 4-F, will not be placed in class 1-AL or 4-F but will be retained in the occupationally deferred classes and will have a notation made on their files indicating their physical status. If they leave their occupations presumably

they will be subject to reclassification. This operates immediately with respect to those in a 1-AL physical status. As you know, the Army is taking in 1-AL's at a rate of approximately 5 percent of each monthly call for military service. Notation will be made of those so earmarked who leave their positions. They do not have to be necessary men—the test to be applied to men in a limited service physical condition for remaining or being placed in 2-A and 2-B in that case is whether they are making a contribution in war production or in support of the war effort. If they are placed in class 2-A or 2-B and leave without getting termination by their local board that it is in the national interest for them to do so, they will be placed immediately into class—so I understand—1-AL and be subject to be inducted as a part of this 5 percent per month ratio under existing procedures.

With respect to the 4-F's, under your proposal, if that is adopted administratively or through legislation, the men who are in 2-A and are given a 4-F physical condition designation, would likewise be removed from class 2-A or 2-B and be subject to immediate induction if they did not remain in their jobs, and it follows that if they are not already making a contribution to war production or in support of the war effort, they would not be entitled to get into classes 2-A or 2-B but would be liable for immediate induction.

That is all confined, insofar as this telegram is concerned, as I read it, to those who are already in classes 2-A or 2-B, or who go into them as a result of this proceeding.

I understand that General Hershey is ready to implement this in any way necessary so as to process all the 4-F's in an effort to have them classified in this manner.

The CHAIRMAN. Colonel, you may at this point insert that telegram in the record.

(The telegram is as follows:)

To All State Directors, Selective Service System:

Under section 629.2 (d) Selective Service regulations direct local boards to issue orders to report for preinduction physical examination to all registrants under the age of 26 who are in class 2-A or class 2-B provided such registrants have not been physically examined by the armed forces within 90 days of the date of this order. This action does not mean that such registrants may not be retained or reclassified in class 2-A or class 2-B but is designed to accelerate the processing for induction of those who will become available for military service and to provide the Director and employers with information regarding those who are not acceptable for military service. My telegram of February 26 directed a review of the classification of all registrants in class 2-A, 2-B, and 2-C and 3-C, particularly those under the age of 26. Direct local boards to review and reconsider the classifications of registrants under the age of 26 in class 3-A, 2-A, 2-B, 2-C, and 3-C, before proceeding with the review and reconsideration of those cases of registrants ages 26 through 37. The review of registrants under the age of 26 in these classes will proceed without regard to whether or not existing deferments have expired. There has been added to the list of exceptions by the Director of Selective Service local board memorandum 115, part 2 (1) (B), registrants under the age of 26 who have been found after examination by the armed forces to be qualified for limited service only or disqualified for any military service provided such registrants are making a contribution in war production, or in support of the war effort. Therefore in considering classification or reclassification such registrants under the age of 26 may be placed in class 2-A or class 2-B when there is filed with local boards forms 42 special bearing the notation that they are either qualified for limited service only or disqualified for any military service.

[Signed] HERSHEY.

The CHAIRMAN. It is my thought, in keeping with the recommendation the committee made, that Selective Service proceed with processing the 4-F's, that they could be retained in the category 4-F, but that group be broken down into different units. Now you have the single, the nonfather group of 4-F's, you have the fathers in that category, all of whom are capable of contributing to the war production program, or in some activity in support of the war effort; you then have another group of 4-F's who definitely have such disabilities that we could not ask or expect them to engage in any industrial activity of that character. That is the thought I had in mind in suggesting that Selective Service proceed with the processing of these 4-F's in order to break them down into groups so that we know how many of those men there are, and where the records do not show it at the present time, information could be obtained from them as to whether they are now actively employed, and the type of employment in which they are engaged. If you have those statistics available for presentation to the committee following the Easter recess, we would know definitely what that picture might present.

Colonel KEESLING. Yes, sir; I am sure General Hershey will do everything forthwith that the committee has recommended in that regard.

Whether you retain the men in class 4-F and put a designation in their files, or whether you put them in 2-A or 2-B and give them a designation as to physical status, is a matter of administrative procedure.

However, in connection with your question, I would rather tell you what we have done and can do to get specific information instead of making a guess as to the number who are or who are not in war supporting activities or war activities. That information is available in the local board files, because they have to have much of that information to know whether a man should be deferred or not. They have had to process not merely the 9,000,000, or whatever that number is that they have taken into the armed forces, but in taking in that number they have had to process the 22,000,000 18-38's or 29,000,000, if you want to go up to 45, and if you go up to 65, they have to a certain extent processed a much larger group, and therefore they are right now in a position if it is advisable to do so—and I certainly believe it is advisable to do so, to complete, to refine, to be more specific in their inventory of occupations and physical status, and to require, which is supposed to be the case anyway, that all of these registrants file with the local board a change in address, change in occupation, present occupation, and any other information that is needed so as to determine what they are qualified to do physically; what they are qualified to do by reason of occupation, or any other information whatsoever that should be needed at any time.

It can be obtained from the local boards very easily, very fast, provided we merely get the local boards to set up their records on a proper basis. Then, in connection with this, if it is advisable, as it will be, to have expert information presented to the local boards, or the State directors and national headquarters, that can come from the Government agencies which are expert in production, and can be inserted in the files which will be used by the local boards. If they feel it advisable, they can submit that to the local board just as you

would submit it to a jury. The local board is the outfit that has to pass on these deferred people, and they defer them and do not take them, not for their own benefit but for the benefit of the United States as a whole.

The CHAIRMAN. My thought in doing this processing in the 4-F's would be that it would be necessary for the local board to have some list of occupations which they could refer to in order to properly determine which of the 4-F's might be put in a deferred classification because they are now engaged in an activity that is contributing to the war production or in support of the war effort.

I was just wondering whether it would be the duty of Selective Service to prepare the list of those occupations which would be considered as deferred occupations, or whether that would be a problem for the Interagency Committee to consider.

Colonel KEESLING. Yes; I will answer that question—of course, Mr. Chairman, I apologize for going into Mr. Rowell's time. My own personal view is that if the committee can see its way clear, and deems it advisable, to expand their proposal a little bit it could make it a little more detailed in providing that this Interagency Committee, in addition to merely making findings concerning the allocation and determination of a quota with respect to deferments of men under 26, should follow that the same procedure, same process, to get information on a plant-by-plant basis as to the manpower requirements, how many 4-F's do they need (1) to fill existing shortages; and (2) to replace the men they have to have replaced. If you add that to your proposal, I believe it should take care of some of the objections that were raised here the other day. If you do that, and you have the requirements and demands of the plants and activities processed by the Government agencies and then reprocessed and tested by this Interagency Committee, and give that national publicity, and local publicity, you would be able to channel the 4-F's into these jobs; you would be able to tell them that they were not passed over by their local boards for their own individual benefit so that someone else was going in their places to get killed, but that they were passed over in the national interest, and that is the only reason they were passed over and taken out of their normal order of induction, so that they now have a moral obligation and a patriotic duty to go into war work where there is a need.

Up to this time we have not been able to get it down on a specific plant-by-plant basis, and so a lot of the 4-F's say, "Well, I am willing to do my part, but who is going to tell me where I should go? Why should I give up my law practice when Joe Smith across the way is not going to do it?"

If you could include some such proposal involving a proper, impartial selection, such as was used in selecting the men for the armed forces, and relating the supply to the proper demand and taking the type who could serve best with the least disruption of our national picture, and where the individual himself would recognize that he was being fairly dealt with and that the same local board which deferred him is psychologically the proper outfit to deal with him, the registrant will be satisfied in dealing with the local board for that reason. If in a particular community or particular area you give publicity that Lockheed, or some other plant, needs so many men, or some other place needs so many men, and if you tell certain 4-F's and others that

there is where they should go, and if they are there to stay there and not leave without getting the O. K. of their local board; that they will be doing their patriotic duty by doing so, but won't be doing their patriotic duty and will be subject to induction if they don't, we can go a long way in solving the problems of manpower shortage, turnover, and replacement while, at the same time, getting the required men of the right kind for the armed forces.

The CHAIRMAN. I think you will help that sort of a picture a great deal if through either Selective Service or the interagency committee a list of the deferred occupations or industries could be prepared, that would serve as a guide to those who are now in 4-F to indicate to them that if they are engaged in these activities, or in these plants, they would be considered deferred 4-F's and would not be subject to induction unless they changed their jobs.

Colonel KEESLING. We can go beyond that, sir, and put up lists of the men in these various categories, have the local board prepare them, have the list have stars after the names of the fellows who are in the proper plants, and if they leave without first getting the O. K. of the board, the star could be removed. You would not have to do very much, except to give a little publicity to that list, and the existence of that list would be some sort of an indication that the boys were or were not doing their patriotic duty.

I apologize for going into Mr. Rowell's time.

The CHAIRMAN. I would like to make one statement. I believe this program here will do a great deal to eliminate the stigma that has attached to the 4-F's, because I feel a program of this kind will educate the public to the fact that those who for physical reasons cannot become a part of the armed services are doing their part in the war effort. I think it would tend to take away a part of the stigma that has attached to the 4-F's through no fault of their own.

Colonel KEESLING. There is no question of that. The opportunity would be presented to these 4-F boys who are not eligible for military service. The Army does not want them for military duty. You would be telling them that although they were properly deferred from military service, not for their own individual benefit but in the national interest because someone could fight better than they could, it is their patriotic duty, if there is war work necessary to be done in order to supply the men who have taken their place, including fathers, to go over into war work and stay there until authorized to leave by their local boards.

The one thing that you are doing here, and an important thing, would be to get from the interagency committee or some other means, detailed information so as to show them where to go. Have them come to Selective Service. Have Selective Service advise them and select them on an impartial basis.

You may even find that you have enough single young 4-F's who may be used first, if they are sufficient to meet the requirements, and so forth.

Mr. SPARKMAN. I want to ask you a couple of questions. The first one is this: Is present legislation sufficient for you to require the registrants to supply the information you have mentioned?

Colonel KEESLING. Yes, sir.

Mr. SPARKMAN. Second, what good is that information going to do you unless the armed services agree to cooperate?

Colonel KEESLING. It won't do us any good as far as the 4-F's are concerned without further action by the armed forces. As far as the limited-service men are concerned of whom the Army is taking 5 percent of each call per month, and the Navy none, it would work in that instance without further action by the armed forces.

Mr. SPARKMAN. Of course, that would hardly make a dent in your big manpower problem.

Colonel KEESLING. Without further action by the armed forces we have no control over the number of 4-F's I have been telling you about, or the discharges who are really in the same physical status as 4-F.

Mr. SPARKMAN. Disregarding the small percentage of limited service, then you would say, in order to be effective, you must have the cooperation of the armed services?

Colonel KEESLING. No question about that, sir.

Mr. SPARKMAN. I wonder if you would also be willing to say this, that under the present manpower situation it has become just about a matter of last recourse.

Colonel KEESLING. I believe so, sir; I know of no other proposal that looked as though it might have the approval of the Congress, except this work corps proposal we have been discussing.

Mr. SPARKMAN. I understood the Secretary of War was quoted as saying that the Army did not want these labor battalions, and would not resort to them, except as a last recourse.

Colonel KEESLING. Sir, I believe there was a little misunderstanding as to just how these labor battalions are to work. I believe that, from listening—

Mr. SPARKMAN. I believe that too.

Colonel KEESLING. From listening to Judge Patterson the other day, it was my impression that he would be willing to go along with this proposition, but that he wanted to make it clear that he did not want you to go about it in such a way that you would take all the 4-F's into the corps and assign them from the corps to work of national importance; but he was hopeful that you would be able to work it in such a way that you could direct these men into these jobs and that the corps would be really sort of a penalty for the people who would not do their patriotic duty voluntarily.

Mr. SPARKMAN. I think you are right, I think the press ought to make it very clear to the country as a whole that what you have just explained is what this committee has been aiming at all through these hearings.

Colonel KEESLING. Yes, sir.

Mr. SPARKMAN. It is not our intention to enlist them in labor battalions but actually to give them an opportunity to cooperate themselves, and only force those that absolutely refuse or fail to cooperate.

Colonel KEESLING. And be fair with the 4-F's and others by showing them on a businesslike basis a plant or activity in their own community where they can serve and are needed.

Mr. SPARKMAN. That is right. That is all, Mr. Chairman.

The CHAIRMAN. Any questions, Mr. Philbin?

Mr. PHILBIN. No questions.

The CHAIRMAN. Thank you very much.

Colonel KEESLING. I apologize for cutting in on Mr. Rowell's time.

The CHAIRMAN. We have with us here this morning Mr. Rowell, who is a representative of the tool and die makers, who has requested to be heard. We regret very much we took so much time. We are very happy to have you here and will give you as much time as you require.

SUPPLEMENTAL REPORT

Nearly 3,000,000 classification actions on 18-through-37-year-old registrants were reported by local boards during February. This was the largest volume of classification activity since the winter of 1942-43 when about 400,000 registrants a month were being inducted by the armed forces.

The net effect of the heavy volume of classification activity last month, a large proportion of which had to do with the reclassification of fathers out of class 3-A, was: (1) The largest number of registrants in classes 1-A, 2-A, and 2-B, and 4-F in the history of selective service, and (2) the establishment of classes 2-A and 2-B (men deferred in occupations other than agriculture) as the largest deferred group.

During February, local boards reclassified 1,147,000 fathers out of classes 3-A and 3-B. The number of fathers in classes 2-A and 2-B increased by 525,000; class 1-A by 364,000; class 1-C by 54,000; class 4-F by 93,000; classes 2-C and 3-C by 45,000; class 3-D by 9,000, and 57,000 died or reached their thirty-eighth birthday. Two-thirds of the registrants in class 1-A now are fathers.

5,399,000 DEFERRED IN JOBS

The number of registrants deferred for occupational reasons, both agricultural and nonagricultural, increased by over a half million in February and reached a new high of 5,399,000. Most of the increase was in classes 2-A and 2-B inasmuch as classes 2-C and 3-C (agricultural deferments) increased by only 45,000. Total occupational deferments account for slightly less than one-half of the Nation's 18-through-37-year-old manpower not in the armed forces.

The number of registrants processed for physical examination, or placed in class 1-A to be so processed, increased considerably. Class 1-C increased by 150,000 one-third of the increase being fathers. Class 4-F increased 138,000, of whom 93,000 were fathers. Practically all of the 373,000 increase in class 1-A were fathers.

The 9,502,000 registrants 18 through 37 years old in class 1-C includes a substantial number of registrants who have been discharged or transferred to the Reserve, but excludes a substantial number of registrants between the ages of 38 and 45 years of age, also members of the armed forces who were not required to register (such as members of the National Guard, the Regular Army, Navy, Marine Corps, and Coast Guard, and their reserves, and those who enlisted prior to the time set for registering their age group) and, of course, women in the armed forces.

Only one-eighth of the class 1-A registrants are available for immediate induction, having been given a preinduction physical examination. One-eighth have been forwarded to the armed forces for physical examination or for induction, but local boards had not been notified by March 1 of their acceptability, and another one-eighth were delinquent, on appeal or otherwise not available because of postponed inductions, etc. The remaining five-eighths, or approximately 60 percent, were available for forwarding for preinduction physical examination. However, the classifications of many of the last group will be reconsidered and deferred after reopening or as a result of appeal, and about half of those forwarded for preinduction physical examination will not be accepted by the armed forces.

The number of registrants reported as unclassified was somewhat smaller than the previous month and comprised mostly 18-year-olds registering during February.

On March 1, 1944, the national military manpower pool of male registrants between the ages of 18 and 38 was as follows:

	Total	Fathers
Total living registrants.....	22,189,000	6,830,000
Class 1-C (inducted and enlisted).....	9,502,000	215,000
(NOTE.—Includes a substantial number of registrants who have been discharged or transferred to the Reserve and excludes nonregistered enlisted men and women and registrants who entered the armed services and who are now over 38 years of age.)		
Class 4-F (rejected for military service).....	3,623,000	369,000
Class 1-A.....	1,871,000	1,226,000
(NOTE.—Class 1-A figures include men being processed for preinduction examination, postponed inductions, appeals, etc.)		
Unclassified.....	96,000	
Classes 3-A and 3-B (men with dependents in process of reclassification).....	1,432,000	1,403,000
Classes 2-A and 2-B (deferred in occupations other than agriculture).....	3,677,000	2,695,000
(NOTE.—Classes 2-A and 2-B figures include approximately 574,000 men under 26 years of age, of whom 330,000 are nonfathers.)		
Classes 2-C and 3-C (deferred in agriculture).....	1,722,000	835,000
(NOTE.—Classes 2-C and 3-C figures include approximately 613,000 men under 26 years of age, of whom 530,000 are nonfathers.)		
Class 3-D (deferred as hardship cases).....	108,000	53,000
All other classes.....	158,000	34,000

STATEMENT OF M. W. ROWELL, GENERAL MANAGER, NATIONAL TOOL AND DIE MANUFACTURERS' ASSOCIATION

Mr. ROWELL. Will it be possible that Congress is going to be in session today?

The CHAIRMAN. Yes; I think we can run over until 12:15, or until 12:30—

Mr. ROWELL. If we can only have that time—we have here representatives of our industry from all over the country.

The CHAIRMAN. How much time do you believe it would require altogether?

Mr. ROWELL. Well, if we could finish by 1:30, I would think that would be as soon as we could possibly get through.

Mr. SPARKMAN. Mr. Chairman, why don't we run until 12 or so and then meet again at 2 or 2:30? How would that suit you?

Mr. ROWELL. I think that would be fine.

The CHAIRMAN. All right, we will just proceed now on that idea and we will meet again during the course of the afternoon to hear your witnesses.

Mr. ROWELL. Mr. Chairman, I have attended so many meetings recently I don't want to rely on my memory, so I have made some notes, and with your permission I would like to make my statement as I have prepared it.

The CHAIRMAN. We will be happy to have you do so, and if you prefer to be seated, you may sit down.

Mr. ROWELL. My name is N. W. Rowell.

The CHAIRMAN. State your title.

Mr. ROWELL. I am general manager of the National Tool and Die Manufacturers Association.

Mr. Chairman, on March 20, 1944, having recognized fully the critical situation that exists from unsolved manpower problems, representatives of the tool and die industry and I, as the manager of the National Tool and Die Manufacturers Association, appeared before the Senate Committee on Military Affairs in connection with the Brewster bill, S. 1702, which proposed to extend the turn-over curtailment features of the so-called Tydings amendment, now

limited to farmers, so that it would include industrial as well as agricultural workers. This turn-over curtailment provision of the Tydings amendment and of the Brewster bill provides that if a worker in an essential occupation or endeavor leaves such occupation or endeavor without first getting a determination of his selective service local board—the same board that has passed him over and deferred him in the national interest from military service—that it is in the best interests of the war effort for him to do so, he will be forthwith reclassified into a class immediately available for military service. Contrary to the views of many persons, the other provision of the Tydings amendment prescribing the circumstances under which agricultural workers will be deferred does not confer blanket deferment upon such workers. Although subsequent to its enactment many additional persons shifted into agricultural work, that was caused mainly because of the current fears at that time that shortage of labor on the farms would result in drastically reduced food production insufficient to supply the war requirements of our own troops, those of our allies, and of our civilian population.

In the course of the congressional debate on the Tydings amendment, this situation was given widespread publicity, and it is true that the action taken by Congress in passing some legislation which pertains to farm workers did have a psychological effect upon liberalizing deferments in that category, as it was a definite indication that Congress had determined the situation was as presented at that time. A review of the wording of the Tydings amendment discloses that the circumstances under which farm workers are granted deferments are substantially the same requirements as were established for industrial war workers.

Under the Tydings amendment, in order to obtain deferment, the farm worker must be engaged in an agricultural occupation, or endeavor found by the local selective service board, subject to appeal, to be essential to the war effort. In addition, he must also be found by such local board, subject to appeal, to be necessary to, regularly engaged in, and irreplaceable with respect to, such essential agricultural occupation or endeavor. That being true, if proper publicity is given to that fact, local boards and others would recognize that deferments should be granted or denied to farm workers on much the same basis as to industrial workers. Consequently, assuming that such publicity would be forthcoming, we were particularly interested in examining the turn-over curtailment provision of the Brewster bill which extended the Tydings amendment provision in that regard to industrial workers.

It is our understanding that the Tydings amendment provision requiring farm workers to remain on the farms or be subject to induction has worked quite well in curtailing turn-over from agriculture insofar as registrants classified in classes 2-C and 3-C are concerned and has been very well accepted even by the registrants themselves, as they are willing to be guided by the same board that deferred them. Testimony before this subcommittee and also before the Russell subcommittee of the Senate Committee on Agriculture reveals that it has naturally not worked insofar as 4-F's are concerned, inasmuch as up until this time they have not been accepted for induction under Army and Navy standards, and they have therefore not been inducted if they left without first getting a clearance.

Of course, in appearing before the Senate Military Affairs Committee, we were concerned not only with the question of turn-over, but were also very much concerned about the critical situation that now exists and which we now recognize has been occasioned by the almost complete failure on the part of the Chairman of the War Manpower Commission to solve the industrial manpower problems. We were very much concerned that the withdrawal of the highly skilled young men under 26 years of age from our industry and from other industries, without something being done to obtain replacements for them and without something being done to curtail turn-over, would not only disrupt but would curtail essential war production and services essential to the successful prosecution of the war. We recognized then, and we recognize now, that, of course, these young men engaged in production and services essential to the successful prosecution of the war should be withdrawn and placed in the armed forces, provided there are 4-F's and others ineligible for military service who can replace them.

Colonel Keesling of Selective Service was invited to attend our hearing before the Senate Committee on Military Affairs, and after we had presented detailed facts and information concerning our critical situation as just one example of the existing blanket confusion and critical situation, Senator Brewster called upon Colonel Keesling for an explanation of the current situation and asked particularly for an explanation of the procedure that had been formulated and which was in the process of formulation concerning the withdrawal from industry of the young men under 26 years of age. At that time Colonel Keesling informed the committee and those of us who were present that not all of the men under 26 years of age would be withdrawn immediately, but that provision had been made which would permit the local boards to consider for deferment those individual men under 26 years of age in whose cases the State director of selective service submitted recommendations that they could not be replaced, at least for the present, by 4-F's or others without great detriment to the essential war-production side of the war program. Colonel Keesling at that time stated that it was most important for the State director of selective service to be furnished with the best possible information as to the dispensability or indispensability of the particular individuals concerned. He stated that it was imperative in that connection that the thousands of individual activities engaged in war production and war services not present their information and manpower requirements directly to the State directors, as it would result in a completely disorganized and confused situation, but that these thousands of plants and activities should first submit their information and recommendations concerning requirements for deferment and additional personnel to the Federal war agency primarily interested in their production and services for the proper analysis and processing by each of such agencies which are presumably expert in their respective fields and are in the best position, as far as the Government is concerned, to recognize the accuracy of the information and recommendations and adjust them accordingly in the light of all of the claimants within each of their jurisdictional fields.

Colonel Keesling stated that after such analysis and modification by each Government agency concerned, such Government agency

should then in turn present its own information and recommendations to some central committee or board comprised of the heads or other representatives of all of the Federal agencies concerned; the board would in turn analyze the information and recommendations submitted by the respective agencies and would adjust and modify them in the light of the national over-all situation and submit its joint recommendation to the Director of Selective Service.

At that time you will recall that the interagency committee had not as yet been established, but the newspapers carried articles indicating the possibility that such a central board might be created.

Senator Brewster and those of us representing this industry who were present recognized the merits of the immediate necessity for establishing such a procedure. As a result, at Senator Brewster's and Colonel Keesling's suggestion, a meeting was arranged between Mr. Donald M. Nelson, Chairman of the War Production Board, and members of this association, at which meeting we wholeheartedly urged that this procedure be immediately adopted, and it is my understanding that Senator Brewster also made a similar recommendation to the War Production Board.

I have followed subsequent events very closely, including, of course, the hearings that have taken place before this subcommittee. They have, in my opinion, been most constructive and have reached the heart and source of this whole manpower and production situation in the most commendable manner. I do not know of any other investigation or action which has even approached the manner in which this subcommittee has obtained the facts and dealt with the critical manpower situation.

The consensus of opinion and the facts presented by all of the witnesses, with the exception of Mr. McNutt, are to the effect that the manpower situation is now extremely acute and has been critical for a long time in the past. We most certainly concur in the views of those witnesses and most strenuously refute the views presented to this subcommittee by Mr. McNutt who, among other things, indicated that he and his organization had solved the problems thus far, that the manpower situation is not now critical but is in fact in reasonably good order.

I listened to the testimony of Mr. McNutt and to the answers which he made to inquiries by members of this subcommittee. I can sum up my reaction briefly, generally, and emphatically by repeating the remark I made immediately following that hearing when I stated that I could fully understand merely from listening to his testimony why the manpower situation is in its present state of confusion and why the manpower problems have not long since been solved.

These hearings have brought us down to earth and down to the real facts. In reviewing the past in the light of these hearings and these facts, it is my measured opinion that the indefinite and confused operations under the direction of Mr. McNutt have done far more harm than good. If they had not operated at all, and if labor and management had worked with Selective Service and other existing agencies expert in their respective fields through the Government agencies—such as the War Production Board in our case—who are primarily interested in the war production and war services in their respective fields, we would have solved all of these industrial manpower problems, including turn-over and proper utilization.

Before coming to this hearing, I carefully reviewed the testimony and discussions that have taken place in such a short period of time before this subcommittee and it is my opinion that the solution presented by Colonel Keesling is the proper one and should be put into operation at the earliest possible moment. The solution, as I understand it from the review I have made of the hearings and from discussing it with him, is as follows:

1. The interagency committee will, as I understand it, obtain from its various war agency members their recommendations as to the numbers of men under 26 years of age who are indispensable in the various plants and activities within their respective jurisdictions, and in whose production and services they are primarily interested. To do this, such agency will obtain information and recommendations from each plant and activity under its jurisdiction and will properly analyze and adjust them before making its recommendations to the full committee. The full committee will then analyze and adjust, in the light of the national situation, the recommendations of all of the agency members of the committee and the committee members will make a joint recommendation directly to the Director of Selective Service as to the total number of men under 26 it believes are presently indispensable and as to the allocation of such number among the various agencies. The recommended total quota and subquota will be subject to approval by the Director of Selective Service, but are not binding upon him.

Inasmuch as it has apparently been found necessary to set up this new interagency committee and this new procedure because the Chairman of the War Manpower Commission has not solved that phase of the war manpower problem, and as it appears that this procedure is the proper, efficient, and businesslike method of approach, the same committee and the same procedure should not be confined solely to the determination of requirements for deferment of men under 26 years of age, but should be extended to cover the following:

(a) Requirements on a similar plant-by-plant basis for deferments of men 26 years of age and over.

(b) Requirements on a similar plant-by-plant basis for 4-F's, discharges, and 38 to 45's needed (1) to fill existing vacancies and shortages, and (2) to serve as replacements for those of the occupationally deferred men who can be replaced by these 4-F's and others.

(c) Turn-over, utilization, absenteeism, and other manpower problems on a similar plant-by-plant basis. (The committee by getting factual information on these problems properly processed to it through the member agencies would be in a position to know the exact situation with respect to these problems, and would then be in a position to be better able to solve them by proper administrative action, and, if necessary, recommend legislative remedies to the appropriate congressional committee.)

(d) Production problems in addition to manpower problems. These would include requirements for tools, dies, gages, machinery, facilities, repair parts, equipment, raw materials, and so forth. (The committee by considering these requirements and problems as well as manpower requirements and problems would properly integrate them with the manpower requirements and problems, as in many instances the problems of the one category are inseparable from the problems of the other.)

2. With respect to the determinations by this committee on manpower matters, when the committee makes its findings as to the number of 4-F's, discharges, and 38 to 45's that are needed or will be needed at specified times in the future as additional personnel or as replacements for those occupationally deferred, those findings when properly approved should be widely publicized, nationally and locally. In the local areas in which particular plants and installations are located, this publicity would disclose to the 4-F's, discharges, and persons 38 to 45 who are not already in essential war production or war services a definite place where their services are needed and where it is their patriotic duty to go to work or be subjected to appropriate publicity.

3. Although most of this proposal could be put into operation by administrative action, it is advisable to have legislation embodying the provisions of this proposal so that the Nation would know that it had the wholehearted support of Congress, and, what is of great importance, create by law the Interagency Committee with its expanded functions.

That in part is Colonel Keesling's proposal as I understand it after reviewing the testimony. The rest of his proposal covers the means of making the 4-F's and 38 to 45's available for civilian war work.

It appears to me that the interagency committee, even under its restricted functions, is in fact performing a duty which ordinarily, we might suppose, would have been performed by the Chairman of the War Manpower Commission and his organization. Consequently, to that extent, it has taken over those functions. Therefore, if it is advisable, as I believe it is, for it to take over these other functions, it would in effect be taking over all of the functions of the Chairman of the War Manpower Commission and his organization, except only those operating functions with which he and his organization have been almost entirely concerned instead of being concerned with and performing the function which he obviously has failed to perform or else we would not be in the situation in which we now find ourselves.

Therefore, I personally strongly recommend in addition to what appears in the above proposal that to remove any possibility of confusion such as now exists with Mr. McNutt contending that he has full authority to modify the findings and recommendations of this interagency committee, while Mr. Bard has read into the record the exact language of the agreement which clearly indicates that the committee is not to act under the domination of its chairman, the legislation clearly covers that point.

For the purpose of further clarifying this situation, it might be advisable to place operating functions of the Chairman of the War Manpower Commission, namely, placement functions of the U. S. E. S. in a separate agency and have the head of that agency represented on the interagency committee. In this connection I understand that Mr. Lawrence Appley is already a member of the interagency committee, being a member of the Production Executive Committee of the War Production Board, the members of which committee are, I am informed, also members of the Interagency Committee. This interagency committee set-up and the procedure I have outlined is entirely logical, because those Government agencies primarily concerned with production and services are the ones who should properly

ascertain and make recommendations with respect to manpower requirements, manpower utilization, and other manpower matters because they are primarily and definitely vital elements of war production, and those agencies are the best qualified to know the facts.

That concludes my statement. Now, Mr. Chairman, I would like to say for the record, so far as our own industry is concerned, that no implement of war, peace, necessity, convenience, or pleasure can be manufactured in mass production without the use of tools, dies, gages, and fixtures, and because of that we have called together a group of our industry leaders here today to set forth and point out to this special committee the advantages and the disadvantages that are going to be thrust upon this industry by the withdrawal of highly skilled men, 35 years and under, for it does not matter, we have highly skilled men in this industry who are 26 and under, but unfortunately these men are being withdrawn at such a rate today and they are absolutely irreplaceable; and, if the continual withdrawal of these highly skilled men persists, we are going to face a loss in war production of no less than 30 percent; and if I may, I would like to call some of our industry leaders to present their testimony before this special committee to show just what loss there is to war production by the continual withdrawal of these highly skilled men.

I would like to call on Mr. L. V. Whistler, vice president of the S. B. Whistler Co. of Buffalo, N. Y.

The CHAIRMAN. Mr. Whistler.

STATEMENT OF L. V. WHISTLER, VICE PRESIDENT, S. B. WHISTLER CO., BUFFALO, NEW YORK

Mr. WHISTLER. Mr. Chairman, the tool and die industry, by its nature and exactness, must remain in the category of small business. The average tool and die plant, jig, and fixture makers, employs from 30 to 100 men, or less. Very few are above 100 men. In our own instance we have letters from the Westinghouse Electric & Manufacturing Co., the Glenn L. Martin Co., the John E. Mitchell Co., the American Radiator Co., the Bell Aircraft Corporation, which, with your permission, we would like to put in the record, expressing their concern about our inability to supply them with tools, dies, jigs, and fixtures as we have in the past.

The reason for this concern is that under the replacement schedule we had already agreed, before the President's new order, to release 8 additional men. We have already had 27 or 28 men in the armed forces now out of our plant. We have some 27 physically handicapped men who are working on whatever machines we can place them.

The one point I would like to bring out, if the Army and the Navy require men, it is our firm conviction that for every 10 die makers retained in the die, tool, and jig industry, we can make tools with the expenditure of one or two hundred dollars, that will release 100 men.

In other words, for some of the stampings and parts that are required, they could not wait for the tools; they started in to make them by hand. Some of them required 20 or 30 hours before fabricating, which put the long line of men on that draft, so, as soon as the tool or die, or whatever it is, is made for that part, first of all, they can make

that draft in 2 or 3 minutes. We have many instances where that has been accomplished.

Our demands on our type of tools at the present time, as of last Saturday, have increased 101 percent over 1943. We have no available young men to draw on; we had to take and train men 30 years old and older, and they are just not adapted to tool and die making, their eyesight is not keen enough. It is a job that requires physical and mental abilities and they just cannot adapt themselves to our type of work. It is a job that you must train the young fellows in. We have got every available physically handicapped young fellow we can get our hands on that has a desire to do that type of work, and we are down at the bottom of the barrel. With the new order, it would take and draft men that would definitely curtail our output to the industries we serve, perhaps by 20 percent.

The CHAIRMAN. In order to acquire skill in this particular industry your people practically grow up in it, is that correct?

Mr. WHISTLER. That is right; we find in our business that we probably hire 15 or 20 men before we can get one who has the desire and the ability and the natural instinct to follow the trade. It is not just going out and picking 10 men and making 10 die makers out of them. You don't do it that way; it is a highly skilled job, and requires a lot of patience, and the men have to have natural ability.

The CHAIRMAN. It is not easy to replace the individual, once you take him out of this particular activity.

Mr. WHISTLER. No; and another point I would like to make. I have talked to some of the boys who recently returned from England. England made a serious mistake and apparently we are headed for it. They sent a lot of their tool and die makers into the armed forces and a few months later they had to get them from the armed forces to build up the tool, die, and jig manufacturers in order to carry on. They could not produce one particular item, which was radar; they needed tools to produce that, and in a hurry, and that was one of the things that were the salvation of England at the time of the blitz.

Mr. ROWELL. Mr. Chairman, I wonder if Mr. Whistler could read into the record or present some letters from prime contractors showing the importance to them of these tools in order to produce airplanes, landing barges, radar, and so forth.

The CHAIRMAN. I think it might be well if they were appended to the record as exhibits. I think, too, that the committee is very well aware of the need of tools in connection with the production for war, and these would be indications, of course, as to how much this industry is relied on in the whole war production problem.

Mr. ROWELL. Our difficulty—now we have no quarrel with selective service national headquarters, but we definitely do have a quarrel with the State selective-service directors, because they are not following the regulations as they have been issued by national headquarters. In other words, it is now the prerogative of the State selective directors to make a recommendation on 42-A special in the retention of highly skilled men in industry, but we are unable to get these State directors to make these recommendations.

The CHAIRMAN. Possibly, if that is the situation, that is something that national headquarters here might well take up with the State directors.

Mr. ROWELL. No, Mr. Chairman; I think it goes further than that. I think if we can get the interagency committee that has been formed to start functioning immediately so that they can be permitted to make these recommendations to the Director of Selective Service, and then he in turn must pass them along to the State directors, it throws too much confusion now on your various regulations. Unfortunately, many of our local draft boards, instead of reading the regulations they read the newspapers, and they see something coming out that all men under 26 years of age are supposed to be inducted into the armed forces, and that is all—that is the end of it. Regulations don't enter into it.

The CHAIRMAN. I agree with you in that regard. I think that is the prime function and desirable use of this interagency committee, to set up uniform standards all through the Nation, so that we may definitely know whom we are taking and whom we are leaving behind, to the end that there won't be any question as to making mistakes in that regard.

Mr. ROWELL. I have made some rather pertinent statements in my statement here relative to manpower conditions in our industry. Now we would like to bring out more points, and for that reason I would like to call on Mr. H. F. Jahn, president of the B. Jahn Manufacturing Co., of New Britain, Conn.

The CHAIRMAN. Mr. Jahn.

STATEMENT OF H. F. JAHN, PRESIDENT B. JAHN MANUFACTURING CO., NEW BRITAIN, CONN.

Mr. JAHN. Mr. Chairman and gentlemen, I believe it might be well to say a few things about the importance of this industry which has probably about 20 to 30 percent of people under 26 years of age, normally.

Let us go back to the time of 1929, and there were few if any apprentices trained from 1929 through 1937. Of course, when this war started across the pond, most of the tool shops became very busy. It has been customary to train young men, not older men, and a lot of these men under 26 had as much as 8 to 9 years' experience at this business, probably, if they started out at 17 to 18 years of age. Now that is the main reason why we find ourselves with so many young people. Now I have a couple of letters here from the United States agency that I would like very much to read into this record, if no one objects.

The CHAIRMAN. How many such letters have you there, Mr. Jahn?

Mr. JAHN. I have three, one from the United States Employment Service, one from the War Production Board, and one from the Springfield Armory. I have others, but that is the gist of the thing.

The CHAIRMAN. We will let you read one or two typical letters, the others to be appended as exhibits.

Mr. JAHN. I believe the first two or three letters, none of them are long, except one; I believe they paint the picture very very clearly.

This is a letter that apparently, so far as the United States Employment Service is concerned; is just a repetition of three or four other letters that we have had probably every 4 months. I believe, when I read about my own organization, that this pertains to the entire industry, and I would like it judged as such.

This is a letter from the United States Employment Service, dated March 30, 1944, and is as follows:

UNITED STATES EMPLOYMENT SERVICE,
New Britain, Conn., March 30, 1944.

Mr. HERBERT F. JAHN,
President, B. Jahn Manufacturing Co.,
New Britain, Conn.

DEAR SIR: In reply to your inquiry concerning availability of tool and die makers, I regret to inform you that during the past year or more this office has found it practically impossible to locate fully qualified or even apprentice tool and die makers in this area. Also, attempts to secure such workers through clearance have been fruitless. In addition to your needs, this office now has on file many many openings for tool and die makers, against which we have been unable to make any referrals.

We will gladly keep your order on file, and will make every effort to serve you. However, frankly, it is our opinion that the situation regarding the shortage of the above qualified workers will not improve in this area for the duration of the war.

Very truly yours,

LOUIS R. PIZER,

Manager.

By JOHN D. HUMPHREY,
Supervisor, Stabilization Division.

The CHAIRMAN. That presumably was in the Connecticut area. Mr. JAHN. Connecticut area. Now the next letter is from the War Production Board, written by C. A. Woodruff, Deputy Regional Director in Charge of Production, also Chairman of the Area Production Urgency Committee. It is dated March 30, 1944.

WAR PRODUCTION BOARD,
Hartford, Conn., March 30, 1944.

B. JAHN MANUFACTURING CO.,
New Britain, Conn.

(Attention of Mr. Herbert Jahn.)

DEAR MR. JAHN: Because the shortage of tool makers throughout this entire region is and has for some time constituted a bottleneck in critical war production, I ask that you immediately comply with the new provisions in the Selective Service System for specific exemptions of men in key positions and men employed on supercritical programs.

It is my strong feeling that all bona fide tool makers should be exempted for the reason that replacements are utterly impossible except at the expense of other critical programs in some other plant.

If I can be of any help to you in retaining this type of skill, such as tool makers, die makers, jig and fixture men, tool draftsmen and designers, please bring this matter to my immediate attention.

Very truly yours,

C. A. WOODRUFF,
Deputy Regional Director in Charge of Production,
and Chairman, Area Production Urgency Committee.

Mr. JAHN. I have a letter here from the Springfield Armory, written by the commanding officer, Colonel Woody.

SPRINGFIELD ARMORY,
Springfield, Mass., March 29, 1944.

The B. JAHN MANUFACTURING CO.,
New Britain, Conn.

(Attention of Mr. Thompson.)

GENTLEMEN: The armory at the present time has the following outstanding purchase orders with your company:

- Purchase Order No. 5968-44: Punch and die sets.
- Purchase Order No. 8942-44: Seven items of dies.
- Purchase Order No. 4011-44: Five items of punch and die sets.
- Purchase Order No. 6776-44: 1 fixture.

All of the above items are needed in connection with the production of the United States rifle, caliber .30, M1, and it is essential that deliveries of the equipment as listed on the above purchase orders be made in accordance with contract schedules in order that the production of the Garand rifle at this station may be maintained in accordance with War Department requirements.

This station has placed many orders with your company in the past for dies and fixtures and in all probability will continue to place future orders with you as occasions arise, and it will therefore be necessary for you to meet delivery schedules on outstanding contracts, as well as future contracts, in order that there will be no disruption of our production schedules.

The armory is appreciative of the splendid service rendered by your company in the past, both in connection with engineering services offered without charge and also your constant desire to satisfy all requirements relative to types of equipment and maintenance of delivery schedules.

The above comments are furnished for the purpose of assisting you in your efforts to establish requirements for deferment from draft of certain classes of your employees.

Very truly yours,

G. A. WOODY,

Colonel, Ordnance Department, Commanding.

Now, here is just one other letter, which is a little longer than those, but I believe it paints the picture probably better than anything I could say. It is from the Cuno Engineering Corporation, which furnishes filters for a good share of the planes that go into the air for all of the Allies.

THE CUNO ENGINEERING CORPORATION,
Meriden, Conn., March 29, 1944.

B. JAHN MANUFACTURING CO.,
New Britain, Conn.

(Attention of Herbert F. Jahn, president and general manager.)

GENTLEMEN: Under normal conditions we maintain a toolroom staff which is sufficient to take care of about 95 percent of the toolroom work which is required to keep our plant in operation, and only about 5 percent of our work is let out to concerns such as your own. When it became necessary to expand our business to meet the requirements of the war program for our products, we endeavored to follow the same policy of a practically self-sufficient toolroom and tried to expand our tool room in the same proportion as our manufacturing operations. Even as early as 1942, due to the apparent shortage of tool makers, it was impossible to follow this policy and we were forced to depend more and more upon outside sources such as yours, if sufficient tools were to be obtained to enable us to produce to our expanded manufacturing capacity.

While our volume of business in 1942 increased more than 15 percent over that of 1941, we were only able to increase our toolroom personnel 26 percent during the same period and by the end of 1942, due to losses to Selective Service this 26 percent gain had been lost and our toolroom personnel was the same as in 1941. In 1943 our volume was more than five times what it was in 1941 but we have been unable to increase our toolroom personnel at all, and today we are operating with fewer people in our tool room than we had in 1941. This situation has forced us to utilize outside services such as yours and many others to a greater degree each year since 1941.

If the latest releases on Selective Service are adhered to strictly with respect to men under 26, we stand to lose another 20 percent of our toolroom employees, and if outside services such as yours, upon which we must be more dependent than ever, are faced with the same possible losses as we are, I can see nothing for us to do but sharply curtail our operations, which are primarily producing for the aviation and landing barge program. We just can't produce our requirements without the necessary tools and we cannot get the tools without tool makers. Furthermore, our toolroom personnel today is down to the point where it can hardly keep up with our maintenance work, which is very difficult to farm out and any further loss of toolroom employees will endanger our ability to keep going.

As only one of our outside suppliers of tools we purchased over \$16,000 worth of tools from you in 1943 and presently you have about \$9,000 of tools on order

for us which you have not as yet delivered. With our volume running larger now than in 1943, we will depend upon your organization for even a larger amount of tools in 1944, and if we are unable to retain our present tool makers and stand to lose another 20 percent, I am afraid to say what might happen to those services depending upon our products for their war machines. I do not believe war plants like yours and ours can be both an "arsenal for democracy" and an unregulated source of manpower for the armed forces, and at the same time meet our war production requirements. As an indication of the war contracts against which we are producing, we are attaching a list of the contracts we have with the various services.

I am hopeful that an impartial survey of the conditions facing plants such as yours and ours will have the effect of recognizing that if we are to do the job which we have been called upon to do, we must have some relief from the present regulations insofar as critical occupations are concerned.

That is signed by Mr. W. M. Guthrie, general manager.

I have a number of other letters, but they are all along that same line, and I think I would be glad to make them a part of the record. I don't know whether there is need to actually read any of them.

The CHAIRMAN. You might simply leave them with the reporter, and they will be added as part of the files.

Colonel KEESLING. If I may break in at this point on a matter that has been raised, as to the need for this interagency committee, or some similar procedure, and just place before the committee this thought, that those certain activities or plants which have placed their own house in order and have played the game in trying to get replacements and doing everything they could, would be discriminated against as between those who have not, unless you had some orderly interagency committee to go out and get the exact facts so as to withdraw the young men proportionately from those places that perhaps have not played the game. You have to have an interagency committee or some comparable machinery in order to properly get the uniformity that you so adequately spoke of.

The CHAIRMAN. I think you are quite correct. In other words, when the interagency committee starts functioning, they will find they have a real job and can play a very important part here in this present situation, where we are intending to draft so many young men, not to clean out of industry everybody who must of necessity remain.

Mr. JAHN. These other letters come mostly from companies manufacturing electronics and radar. I have a letter also here from E. Fafnir Bearing Co., manufacturers of ball bearings, which we all know is critical.

The CHAIRMAN. You will leave those all with the reporter and they will be included as part of the exhibits of the present hearing.

Mr. Rowell, I don't know whether or not you have witnesses who might be anxious to get away.

Mr. ROWELL. No, sir; they are all stuck here for such time as may be necessary to present our side of the story.

The CHAIRMAN. I have at telegram here signed George J. Huebner, editor, Tool and Die Journal, of Cleveland, Ohio, that I will insert in the record at this time. It expresses his inability to be present here today and gives his views regarding the situation.

MARCH 31, 1944.

Hon. JOHN M. COSTELLO,
Chairman, Subcommittee on Military Affairs, House of Representatives, for meeting 10:30 a. m., Washington, D. C.:

I expected to attend your hearing Friday morning but I am prevented by necessity for making editorial dead line. During 2 years I served as War Production Board tool and die consultant and Chief of Tooling Facility Branch we

had requests continually from Army and Navy prime and subcontractors for qualified toolmaking facilities. Even during 1942 and 1943 tool shops repeatedly could not accept additional contracts because experienced toolmakers and machine operators were not available. Since then many more have been inducted until today I am certain that the induction of those still remaining must delay tooling for new bombers, landing barges, technical equipment, instruments, and similar critical products. May I suggest that a trained toolmaker is today serving his country much more effectively than he would be as soldier even after months of training? I therefore respectfully urge you and your colleagues to recommend "stay of induction of the comparatively few tool and die makers who are involved.

GEORGE J. HUEBNER,
Editor, *Tool and Die Journal*.

The CHAIRMAN. The committee will stand in recess until 2:30 this afternoon.

(At 12 noon a recess was taken to 2:30 p. m.)

AFTER RECESS

(Whereupon, at 2:30 p. m., the hearing was resumed pursuant to recess.)

The CHAIRMAN. The committee will be in order.

Mr. Rowell, are you ready to proceed?

Mr. ROWELL. I would like to call Mr. Frank W. Denning, head of the Denning Manufacturing Co., of Cleveland, Ohio; but before calling him to give his testimony, Mr. Chairman, I would like to have it go into the record that we have industrial leaders here from our industry from the following cities: Milwaukee, St. Louis, Chicago, Buffalo, Cleveland, Philadelphia, New York, Bridgeport, New Britain, and Hartford.

I do not think I have left any out, so we will proceed with Mr. Denning's testimony.

STATEMENT OF FRANK W. DENNING, DENNING MANUFACTURING CO., CLEVELAND, OHIO

Mr. DENNING. Mr. Chairman, I am very grateful for this opportunity of appearing before this committee. I am so confused, so thoroughly disgusted and disquieted; I have been pushed around so much that I hardly know what my duty to my country really is.

For example, the great prime contractors whom I serve have told me, they assure me that the tools they require are urgently needed by the armed forces, and in trying to produce those tools I personally spend at least 90 percent of my time fighting draft boards who are determined to take skilled members out of the toolroom.

My replacement schedule, for all practical purposes, is null and void. The men 22 to 26 in my plant are no longer considered on that schedule; I am told by all and sundry that they are "dead ducks" so far as industry is concerned.

Not only that, there are many other changes in that schedule concerning men in their thirties; some of those men already have been placed in 1-A and about 20 percent of my personnel right now are in 1-A. Three of my men face induction immediately.

Draft boards tell me that the tool and die maker and the members of the toolroom are no longer considered critical, despite what the prime contractors tell me. Then they have told me that a man 24 years old cannot be important to industry. Now we have men here who can cite thousands of cases where they are doing what they

believe to be very important war work—I am not going to waste the time of this committee by going through all that. I should like, however, to read one telegram received yesterday from the Holtzer Cabot Electric Co. of Boston, Mass.

BOSTON, MASS., March 30, 1944.

F. W. DENNING,

Denning Manufacturing Co.,
Cleveland, Ohio:

Our part SC-1-161 is used on the EE8-B field telephone we are producing for the Signal Corps. It is a diaphragm electrode going into the handset transmitter. The Signal Corps contract numbers covering this show on our purchase orders. We know this telephone is considered a very vital item by the Signal Corps and we trust nothing will prevent the very necessary completion of orders we have with you for this part. Interruption or delay would seriously affect our telephone production which we believe would be very disastrous to the Signal Corps and the war effort.

THE HOLTZER CABOT ELECTRIC CO.,
E. S. COBB, Director of Procurement.

Now, Mr. Chairman, in that telegram they tell me this job is important. The draft boards tell me the man who made that job is not important, yet, the Holtzer Cabot Co. want that, and have got to have that die to enable them to run it without unskilled help, because some of the parts they may put in two parts, and it is a very fragile die, easily destroyed, and so they sent the die back to us so that the man who built the die might keep it in repair when unskilled workers would ruin it.

In other words, I have with me here today a young man, 24 years old, who never saw a toolroom until he was 19; he has put in 5 years in the tool and die room, and he has probably had 15,000 hours at a highly skilled occupation. He built that die, and every part of it, to tolerances of two ten-thousandths, and the die has been returned to him to keep up on a very vital war job. I am going to let him tell you a little something about the die, if you will permit it.

The CHAIRMAN. We will be very glad to hear it.

Mr. DENNING. His name is Mr. J. Nerva.

STATEMENT OF J. NERVA

Mr. NERVA (going over to die and indicating on the die various things). This here is the landing trimming die, that is all made up, and this die will run about 25,000 stampings, and it has to be good for about 130,000 if it is sharpened, and it has to be kept sharpened. It is all precision work, and there are at least 80 pieces in the whole die. It requires about 28 weeks to build it, 350 hours.

That is all.

The CHAIRMAN. How many men did you employ in building a die of that kind?

Mr. NERVA. What is that?

The CHAIRMAN. How many men are used in making it?

Mr. NERVA. I built this myself.

The CHAIRMAN. Just you individually?

Mr. NERVA. Yes; I did all the work on it.

The CHAIRMAN. Is there anyone else in the plant who could build that particular die?

Mr. NERVA. No; not this one.

The CHAIRMAN. How often does a new die have to be made to replace that?

Mr. NERVA. I always sharpen this up when it gets dull. It is good for 130,000 stampings, and if it is kept properly ground it is good for at least about three-quarters of a million pieces, that die, at least that.

Mr. SPARKMAN. How long does it take to make the 130,000 pieces you refer to?

Mr. NERVA. Stampings, do you mean? That depends on how fast the presses run. I estimate from ten to twelve thousand a day.

Mr. SPARKMAN. It would take you then 10 or 12 days until it had to be sharpened, is that what you said, or ground?

Mr. NERVA. Ground or sharpened.

Mr. SPARKMAN. How long does it take to sharpen it, or grind it, when it comes back to you?

Mr. NERVA. If there is nothing spoiled, it takes about 5 hours to sharpen it.

Mr. SPARKMAN. Your job is to keep it maintained, and at the same time to be building replacements for it?

Mr. NERVA. In case of damage, it has to be fixed, like it was once damaged and it took me 4 days to fix it.

The CHAIRMAN. Is there anybody else in the plant with sufficient familiarity with this particular die to take over the work if you were drafted, for example?

Mr. NERVA. No.

Mr. DENNING. Yes; we have many men who can build such dies in our plant, because we are specialists in that type of work; but I am only trying to point out by this testimony that this man is 24 years of age, and has had 15,000 hours of highly skilled occupation behind him. There are perhaps 20,000 men in our industry who we claim are essential men. He is now awaiting induction, like many more like him, and I am told that we never can save him.

The CHAIRMAN. Could this die be made elsewhere?

Mr. DENNING. Oh, yes; others of our industry; any man here who is a specialist in fine die work could build that die.

The CHAIRMAN. I mean, you have to have this particular die in order to make these parts you are turning out?

Mr. DENNING. Yes, sir; they could not make those parts by hand in mass production. I won't say they could not make them, but the war would be over long before they would get them.

The CHAIRMAN. In other words, it is essential to have these dies and tools in order to get mass production that the industry is able to turn out today.

Mr. DENNING. Yes, sir.

Mr. SPARKMAN. It seems to me that this point is involved: It is not necessarily a question as to the essentiality of the die, we admit that; it is not necessarily a question of the essentiality of this young man, we will admit that; it seems to me the question is whether or not this young man is replaceable in doing that essential job, not that essential piece of work.

Mr. DENNING. Well, in answer to that I would say this man is replaceable. There is no man in the industry who is not replaceable; but again, we would wait 3 to 5 years to get that replacement—

Mr. SPARKMAN. No.

Mr. DENNING. We must train him, that replacement must be a trainee.

Mr. SPARKMAN. Well, I think that would enter into the question as to whether he is replaceable; he must be replaceable within a reasonable time.

Mr. DENNING. He is not replaceable within a reasonable time. Now we haven't enough men to go around. We are already short-handed. We have lost at least 30 percent of our personnel in the toolroom. Now already our apprentices and our semiskilled men, who help the die maker, drill the holes, and do other minor jobs around there. They are doing whatever skilled work they must do, and they must also do the minor jobs along with the major parts.

Mr. SPARKMAN. Of course, it seems to me that probably the attitude expressed by you in the beginning was not exactly correct when you said that all of your young men from 18 to 26 were being withdrawn from your work. It is my understanding that the very purpose for which this recent agreement, or tentative agreement, has been worked out among the War Production Board, the Army, and the Navy, and various other agencies, is to pick out of industry those particular persons who are essential and irreplaceable, even below the age of 26, and we have heard some tentative figures recently of 40,000 which was agreed on tentatively. Now my understanding is that that number, whatever the number finally agreed upon, will be retained; so it seems to me that all of your boys from 18 to 26 are not necessarily going to be drafted, because surely this is an essential industry, and it would amount, in the pool of 40,000, or whatever the number may be that is finally decided upon—

Mr. DENNING. But I am sorry to say, I have lost all confidence in the pronouncements of Selective Service as to what they are going to do for this industry, because I am dealing directly with the local board and the local board has turned thumbs down on the 11 men now in 1-A. I am fighting to keep those men. I don't know whether I am right or wrong.

Mr. SPARKMAN. Have you appealed?

Mr. DENNING. Yes; I know all the steps. They are long and they are arduous, and I never know the answer until they are finally inducted. I am told on good authority that after a man is inducted I can fill out certain papers and take him out of the Army, but the disturbing thing is that now when they assign these men they are not assigning them to the Army, but to the Navy, and there are no furloughs issued in the Navy, I am told.

Mr. ROWELL. Mr. Chairman, I would like to interject here just a moment, to correct the Congressman in response to these 40,000 men. That is one of the purposes for this group appearing before this special committee, that this industry has not had the recommendation as being critical to the war effort, and that is the joke of the whole thing, because, as I said this morning, no implement of peace, war, necessity, convenience, or pleasure can be manufactured in mass production without tools, dies, and gages.

Eight industries, as I understand it thus far, have been designated as critical, but in no place, and in no press report that I have seen yet, has the die industry even been mentioned; yet we know production cannot go on and cannot function without tools and dies.

Mr. SPARKMAN. I was under the impression that it has always been included. That might have just been a feeling on my part, because I know that during the course of this war it has been played up to us that the tool makers and die makers were highly essential.

Mr. ROWELL. They are, sir, and when we met with Mr. Donald Nelson a week ago Tuesday, we found Mr. Nelson very sympathetic to our problems, but he said, "I am sorry, the Army says they want these men and you will have to do without them."

How are they going to maintain war production unless they do have the privilege of retaining some of these highly skilled men, regardless of their age, in this industry?

We asked Mr. Nelson at that time whether or not this tool and die industry should not be placed on the list of critical industries. Only yesterday I had a long-distance telephone call from Milwaukee, where a member firm of our association called me and said that the State director of Wisconsin had refused to furnish Form 42-A Special because the tool and die industry was not considered critical.

Now that is what we are dealing with. We do know that whenever we talk with anyone who knows the difference between a jig and a hammer, they realize the importance of the tool-and-die maker; but unfortunately we have to deal with the vast majority who have not the slightest conception of what two ten-thousands of an inch means, and in many of these tools and dies, if you please, we have to hold tolerances as close as twenty-five one-millionths. Now you cannot get that with an inexperienced man.

Now that tool has 300 or 400 hours of work on it and if an inexperienced man makes one little slip, it will absolutely throw that tool or die into the discard, with at least hundreds of hours of work, hundreds of man-hours of labor, and, if you please, vital material utterly wasted.

Pardon me for interrupting Mr. Denning.

The CHAIRMAN. I think it might be well at this point to get into the record the fact that even though you set up a new plant and get it fully equipped with new tools, that does not mean that you are through with the plant; you are constantly replacing those tools as they wear out.

Mr. ROWELL. We are constantly making those tools and replacements.

The CHAIRMAN. So the tool-and-die industry has the job of making the tools first, and then, just as soon as production is entered upon, of replacing the tools in industry.

Mr. ROWELL. I would like to say this in respect to that 40,000, because at no time has this industry been recognized in the press or by any other agency that I know of, or the tool and die industry specifically mentioned as being essential. As a matter of fact, we have had it come back to us—well, this is a concrete example of the lack of furnishing a 42-A Special. I wired the Director myself and told him I had been informed that his office was refusing to furnish 42-A Special forms on request, and he comes back and says this morning in a telegram—I don't know the exact words, but this is the essence of it—that in no case are they refusing to furnish Form 42-A Special when available.

Now how are we going to get the information to the State Director if these forms are not available, and every day we lose, every day we

stand before committees, or we see agencies, every day that we lose there we are losing vital men out of our industry. Why, we have some of the same gentlemen here that appeared before the Senate Military Affairs Committee on Monday, March 20, Mr. Whistler, from Buffalo, was with us on that hearing and by the time he got back home 10 more of his highly skilled tool-and-die men had been reclassified into 1-A, and you know they are "dead ducks" when they get in there because these State directors are not paying any attention to the regulations; they refuse to make any recommendations, definitely.

I have been over that with Colonel Keesling time and time again with these State directors. They have the regulations, if they put them into effect, but, if you please, we had an individual certification where a facility officer could go into a plant and give a certificate that a particular man was absolutely irreplaceable and essential in his industry. Three days later, as I understand and am informed, the Under Secretary of War issued orders that under no circumstances could any facility officer sign an individual certification.

They have forbidden them to do it. In Chicago we went to the War Production Board and told them exactly what was the situation, and Colonel Armstrong, the director for Illinois, not only is sympathetic with our problem, but he understands it and he said that if the War Production Board will issue individual certifications he will recognize them. They are doing that, and we are saving some men in Illinois. Colonel Mellon, of Pennsylvania, has done exactly the same thing. I met Colonel Mellon a week or two ago in Harrisburg and told him what our problems were, what we were confronted with. There again we had a man in a receptive mood, he listened to us because he realized—he had some industrial background—and he knew just what the tool and die industry was doing, and he said he would certainly give consideration to every 42-A special that came in there, but we cannot get other directors to do it.

We have another director in Connecticut who has informed some of our member firms that when this thing is all over there will not be 10 men left in the State of Connecticut under 26 years of age unless they are engaged in electronics. Well, they could not build electronics without tools and dies.

Mr. SPARKMAN. Mr. Rowell, let me ask you this question: It seems to me that your trouble lies in not having convinced the War Production Board of the need, of the essentiality of your work, and of the irreplaceability of these young men engaged in the work. Now, let me ask you, not taking any one company in particular, but taking the industry as a whole, is there a critical labor situation today?

Mr. ROWELL. There is a tremendously critical labor situation—I am not speaking for any one firm, I am looking at this strictly from a national issue, we are in desperate shape right now, I think supercritical, if you please, manpower situation.

Mr. SPARKMAN. Is there a lack of needed production?

Mr. ROWELL. Yes; I would say it goes beyond a lack; there are, for every cut-back, for every change in design, all of the facilities who have written these letters that have already been introduced to day will show the vital need for these dies, tools, and so forth, and not only is there a lack in there, but because of the changes of design, and so forth, these contractors that you see here before you today are unable to take on any additional contracts of any kind.

Mr. SPARKMAN. Because they just don't have the manpower?

Mr. ROWELL. Because they don't have the manpower.

Mr. SPARKMAN. And there are additional contracts waiting to be taken on?

Mr. ROWELL. Yes, sir; as a matter of fact, we have men in this room right now who have been urged to take on additional tools and dies.

Mr. SPARKMAN. In needed war production?

Mr. ROWELL. Yes, sir; and right here let me say that we have another firm that is represented here today that has been asked to hurry up to make that die; because of the critical situation in their plants they cannot do it, but he goes to Mr. Denning and asks Mr. Denning if they could not please make the dies and that is the war manpower situation that we are facing and it is a critical situation.

Mr. SPARKMAN. Under your statement it seems to me that your appeal ought to be made to the War Production Board.

Mr. ROWELL. We have tried that; we went down and spent an hour and a half with Mr. Nelson. Mr. Nelson said:

I am sorry, gentlemen, the Army says they want these men, and there is nothing I can do. I admit they are important.

I believe Mr. Nelson would go so far as to say that a great many of these men we are pleading for are irreplaceable, but the Army says they want them all. With an Army of millions of men, what good is it if we cannot furnish those men with the materials so necessary for the successful prosecution of the war?

Mr. SPARKMAN. Of course, right there appears the apparent inconsistency, to my way of looking at it. Here is Mr. Donald Nelson charged with the responsibility of producing war goods. He has to come in conflict sometimes, I dare say, with the War and the Navy Departments in order to get war goods produced. Now, from your statement, apparently Mr. Nelson, who is charged with that responsibility, has not yet come to the view, as expressed by you, that the situation of your group of people is critical, and that these young men are irreplaceable. Now I am thoroughly in sympathy with you, but it seems to me there is where your job has got to be done.

Mr. ROWELL. Mr. Congressman, probably we have not been as successful in presenting this situation as forcefully as we might to Mr. Nelson, but we have been forceful. We have used every means that we know to bring it to his attention.

Mr. SPARKMAN. You have presented him with the facts?

Mr. ROWELL. We have presented him with the facts and he knows the facts. When the members of our association appeared before Mr. Nelson, he agreed that the situation was critical, but that nothing could be done about it because the armed services had told him they required those men.

We will go before any group, we will go before any agency, we will go before any body, we will go before this subcommittee or anyone else.

Senator Brewster, when Colonel Keesling and I were before the Senate Military Affairs Committee, stated that he believed that Mr. Nelson was the man we should see. We went to see Mr. Nelson, and we discussed with him the possibility of retaining men over 26, because they are not only taking 26, men 26 and under, but there is a man in this room today who has employees who will be 33 and 34 years old, that are critical die makers, that are awaiting induction,

or have been reclassified into 1-A. Mr. Nelson assured us a week ago Tuesday that he would take immediate steps to see that the withdrawal of men over 26 years old was stopped, but they are still inducting them. All we are trying to do, Mr. Chairman, is to present the problems with which this industry is confronted; we are not interested in how many dies this firm can make or that firm can make; we are interested in the successful prosecution of this war, to get it over with as quickly as we can. We know if they take these skilled tool makers, whether they are 24 years old or 34 years old, it is seriously going to affect war production and will naturally cause a lingering of the war far beyond what you might expect today.

The CHAIRMAN. Mr. Rowell, in view of the fact that the committee has already had Mr. Nelson before us, I think it might be well if we were to see that a copy of the transcript of these proceedings is presented to him.

Mr. ROWELL. I would be very grateful if that could be done.

The CHAIRMAN. I think we might ask him for his further comments, particularly in regard to this special phase of the testimony. I feel that if we follow that procedure we may at least get some additional consideration from him.

Furthermore, I believe that this new interagency committee is going to be, of course, their major problem. Someone will lay the needs of the industry before them, and as to deferments of men 26 years old and under, they are going to have to figure out some process of allotment to various industries. I think there is going to be another place where you will have to appeal, to make sure that the situation confronting the tool and die industry is presented to the interagency committee and that they have all the facts, so that at least a reasonable share of the deferments are made available to your industry.

Mr. ROWELL. Time is the essence of the whole program, so far as this industry is concerned now, because we are losing these men so rapidly. We will be very grateful to have this transcript presented to Mr. Nelson, and we will be glad to meet with Mr. Nelson and to discuss our problems; and if you talk airplanes, landing barges, tanks, trucks, 100-octane gasoline, high-tensile rayon, and so forth, that is a critical industry. Of the eight industries that have been designated as being critical, only two of them, sir, could even operate if it were not for the tool and die industry. Those are the facts.

Now I hope you will pardon me for my interruption.

Mr. DENNING. Gentlemen, at that meeting with Donald Nelson 2 weeks ago, he told us that while he agreed with us, he had talked with General Marshall and he said he had to have the men; therefore, Donald Nelson yielded.

Now at that meeting I attempted to bring out another question that deeply concerns this country. If we lose a lot of our skilled artisans of the tool room, let us not forget the days of the thirties and the depression, let us not forget that we could have unemployment again as soon as we cut off our war contracts. I have prepared a statement here that has to do with that. I have entitled it "The Eleventh Commandment; Thou Shalt Not Willfully Create Unemployment."

During the dismal days of the depression, the industrialist was often and bitterly denounced for his failure to provide jobs to prevent want in the midst of plenty, and dire threats were made to abolish the capitalistic system altogether.

Down through those terrible thirties our once great industrial machine floundered about in helpless disrepute while billions of dollars were spent in building castles in the air, cabins in the parks, and gardens by the roadsides, as a means of distributing doles to alleviate the suffering of our people. While we piddled away billions on nonessentials, we wantonly neglected the training of our young men in the basic skills of the industrial crafts which truly represent the strength and wealth of the Nation.

With the rumbling of war drums there came a new trend of thought; we had learned too late that while we were castigating industrial leaders and starving our great industrial machine, our cunning, calculating neighbors had profited by our lethargy and had created the most powerful and devastating mechanized war machine ever conceived by men. Smug in the knowledge of his position, he taunted us for our folly, labeled us the decadent democracy, and warned that our way of life would be destroyed should we dare to challenge his authority and right of domination over a prostrate world.

We spoke strong words in those days but bluffing alone could not prevail against a juggernaut that had been many years in the making, and when we could no longer yield, with honor, when statesmen failed and armies were crushed. When mighty France fell and the British were driven from the Continent in confusion and ignominious defeat, then, in consternation and desperation we rallied behind the only barrier that stood between us and oblivion. The great American industrial machine had done it before; it could do it again. America must be the arsenal of the world. The long-neglected industrial machine must be revitalized, rebuilt, remanned, reinstated in the confidence of the American people, for this good old time-honored institution had become the last hope of democracy and the same forces that vilified the industrialist and would have destroyed him, now acclaimed him as the savior of the world.

American industry needs no torch bearer to focus light upon its many achievements during the war, the record speaks for itself, but once more the trend of thought is changing and even while the battle still rages unabated, while huge war orders are in process, industry is now being informed that it is no longer essential and henceforth must assume a secondary position in the war effort. As a minor factor, the industrialist has been ordered to surrender to the armed forces his most important highly skilled personnel. The utmost pressure is being brought to bear, public opinion is being crystallized, young men of good repute and basic skills are being scorned and shamed for their important contribution to the war. The squeeze is on.

In this process selective service strikes at the very heart of industry, in the toolroom, where, by long arduous years of toil, the professional men of the factory are educated in the basic skills of industrial crafts. Where the ingenious design, creative mind, and sensitive fingers of the expert fashions from raw bars of steel the intricate and expensive tools of precision, the dies, jigs, fixtures, gages, and other vitally essential equipment that make possible the mass production that creates jobs for millions of unskilled workers in the factories. These specialists of the toolroom are not expendable.

The Governor of a great State recently served notice that industry must create 10,000,000 more jobs after the war, a high-ranking Government official at Washington recently warned industry that it will be held accountable for unemployment, and other prominent public speakers have gone on record similarly. To all of which industry must reply that if you would avoid unemployment when the war contracts are canceled, if you would create millions more jobs after the war, then you must start post-war tooling programs now, to be fed into the toolrooms when and if the actual war-tooling program should abate. It should be remembered that many months must elapse between the beginning and the final completion of any tooling program and the special tools must first be created before actual production can get under way.

The situation now confronting industry is appalling. Selective Service has repudiated replacement schedules which had been approved and in good faith accepted by industry, local boards are planning wholesale induction of toolroom personnel from 22 to 35 years of age without regard for qualifications of skill, and unless this policy of reckless sabotage of the Nation's toolrooms is modified from 30 percent to 50 percent of their efficiency will have been destroyed. As a result of such action tens of thousands of unskilled workers may face unemployment while industry will be powerless to provide the additional jobs for returning servicemen.

Approximately 15 percent of the tool-room specialists are from 50 years of age upward, and this group is rapidly fading out of the picture as their sight becomes dim, their hands begin to tremble, and their general health renders them less capable of producing fine tools to extremely close tolerances. Another 35 percent of the tool-room artisans represents the group ages 36 to 50, which industry must rely upon. But it is the last group, representing 50 percent of the tool-room force of skilled personnel, aged 22 to 35, trained in latest and most modern methods, capable of producing the finest tools to closest tolerances, and in the least time, that will create the bottleneck in industry and might well bring disaster on the home front unless we are realistic.

In this group there are perhaps 20,000 tool-and-die designers, too-and-die makers precision form grinders, and other tool-room specialists with a background of from 8,000 hours of intensive training up to 18 years of practical tool-room experience. Here you have the lifeblood of the tool room, the tool room which is the very heart of industry, and, I repeat, these men are not expendable because for every one of these men you induct into the armed forces, you may rub out 50 jobs in the factory.

That no mortal man is indispensable is a truth no man may deny but let none be misled by half truths that confuse and misrepresent the facts. For example, if Selective Service had inducted the tool-room personnel in 1940, it must be conceded that those men could have been replaced by 1944. What would have transpired in those 4 years while we were training those 20,000 or more replacements? Would our powerful, well-armed, impatient enemy have waited for us to match his might?

The specter of unemployment when war contracts are canceled looms large, the problem of retaining in employment those already employed while we create additional jobs for our service people, is a responsibility that rests upon the shoulders of men in public life even more heavily than on the shoulders of the industrialist. Industry looks to men high in public life now for support and guidance in the solution of its problems. Industry has its limitations, it cannot do this job alone, it must have sympathetic consideration, or it cannot accept responsibility for the consequences. Industry must not be made the scapegoat for all the ills and errors of mankind.

Whatever may have been the shortcoming of some overzealous or selfish industrialists in seeking to deprive selective service of registrants who were not strictly high-skilled and essential, this should not be held as a blanket indictment to penalize all industry. The group of highly skilled specialists of the toolroom referred to and numbering perhaps 20,000 men of 22 to 35 years of age represents the group that selective service is determined to remove from their industrial occupations. This is the group industry is reluctant to surrender, and industry is not convinced that the armed forces comprising some 10,000,000 men would be impotent without such a small unit, especially when it is remembered that the armed forces have scorned the use of other thousands of young men incarcerated in penal institutions who might become useful citizens if granted this opportunity to rehabilitate themselves. Also, while other thousands walk our streets with guns to rob, rape, and murder. Why are not these men who live by the gun rounded up and given the opportunity to use their guns in the cause of civilization?

Industry has already given to selective service the bulk of its armies and has by every means in its power supported the Military Establishment. Industry now asks only that which belongs to industry, the nucleus of a powerful industrial machine for the future.

What shall we have gained if we make the whole world safe for democracy, if in the process we have brought about unemployment, want, and suffering in our country? There can be no peace in America without prosperity.

Thank you, gentlemen.

Mr. ROWELL. Mr. Chairman, I would like to limit the balance of our witnesses to 4 minutes. I appreciate very much the time that this special committee has allotted to us, and I appreciate your doing that. We will have three or four more witnesses, but I would like to limit their testimony not to exceed 4 minutes. I will call on Mr. Neuman from Hartford, Conn.

STATEMENT OF C. L. NEUMAN, PRESIDENT, ARGUS TOOL CO.,
HARTFORD, CONN.

Mr. ROWELL. I think Mr. Neuman just wishes to put into the record a very vital letter he has received from one of his contractors.

Mr. NEUMAN. Mr. Chairman, the firm I represent specializes in gage work for the aircraft industry. I have a letter here from the Hamilton Standard Propellers, Division of United Aircraft Corporation, and I would like to read it to you.

HAMILTON STANDARD PROPELLERS,
DIVISION OF UNITED AIRCRAFT CORPORATION,
East Hartford, Conn., March 29, 1944.

MILITARY AFFAIRS COMMITTEE,
Washington, D. C.

GENTLEMEN: For the past few months the problem has become alarmingly difficult for obtaining precision tools and gages within the tolerances of accuracy required for the manufacture of the intricate parts which go into the making of our propeller.

This memorandum is addressed to you in an endeavor to explain some of the difficulties pertaining to the scarcity of skilled help. The depletion of our corps of technically trained workmen is being felt in constantly increasing force in our manufacturing efforts due to the lack of satisfactory precision equipment and because of our inability to obtain replacement tools and gages in sufficient quantity or in ample time. The effects consist of decreased quality of work and serious production losses due to an increasing percentage of spoilage caused by a lessened degree of dependability in our gages.

It is necessary for this division of United Aircraft Corporation to depend upon the workmen and technical set-up among the smaller shops in this vicinity and at more remote localities. Among those in the Argus Engineering Co., which is practically 100 percent on our work and is an important source of precision tools and gages. Anything which can be done to permit this company to continue to employ the few dependable men they have will help to assure the steady supply of the equipment which we need desperately.

Yours very truly,

HAMILTON STANDARD PROPELLERS,
F. L. WOODCOCK,
Chief Tool Engineer.

My problem is now, as Mr. Rowell stated, with the local draft board and State selective service. We have five men between 24 and 26 who have had approximately 5 to 6 years' experience in gages and dies, and highly skilled specialists, first-line men, as the Hamilton Standard Propellers Division of United Aircraft Corporation says, having been used to produce these gages, and produced in the volume they need them. As I say, in the last 4 years 90 percent of our entire volume on this was for the Hamilton Standard. Mr. Woodcock gave me this letter in the hope that we might be able to save these five men between 24 and 26 years, who are skilled men.

The CHAIRMAN. Approximately how much experience have those five men had on this job?

Mr. NEUMAN. From 2 to 6 years. We train our own gage makers. We have done that for 10 years.

The CHAIRMAN. Approximately how long would you say is required to train a gage maker so that he is skilled and proficient?

Mr. NEUMAN. There are varying degrees of efficiency, and a man who has had 5 years' training is not necessarily a first-class man who can do that kind of work. Now we have men who have been in the business 18 to 20 years, but these boys who have 5 or 6 years' training are first-class men, and they are selected men. We do not pick men

out at random and say we are going to make a gage maker of them. We may hire 20 men and eliminate 15 of them and have 5 men who might, at the end of 5 years, turn out to be first-class gage makers.

The CHAIRMAN. If you had to replace these five men, what would you say would be the minimum time in which you could train replacements for any one of the five?

Mr. NEUMAN. Five years is the least.

The CHAIRMAN. In other words, these men now, who are just turning 24 or 25, are just getting to the point where they are the greatest use to your company by reason of this 4 or 5 years' experience they have had?

Mr. NEUMAN. That is right; and then, in my own organization, and I imagine it is consistent with the rest of these gentlemen's organizations, the men between 24 and 35 are the most efficient in our type of business, because of their eyesight and stability.

The CHAIRMAN. A tool maker very often loses his skill to work efficiently as he gets along in years; his eyes are not as good as they were and his hands are not as steady.

Mr. NEUMAN. Yes.

Mr. SPARKMAN. You say you have five at this critical age?

Mr. NEUMAN. Yes, sir.

Mr. SPARKMAN. What proportion of your total number is that?

Mr. NEUMAN. Well, I would go back a little further. We had 43 employees, we lost 19 of them, and we expect to lose 5 more within the next 3 weeks. A large proportion of the other 18 are trainees. Some of them have had 3 or 4 years' experience. It has gotten to the point now where they are taking our first-line gage makers, which seems critical enough for the United Aircraft Corporation to give me a letter to bring down and read to you gentlemen.

The CHAIRMAN. How many men do you have employed right now?

Mr. NEUMAN. We have 23 now.

The CHAIRMAN. Just 23 left?

Mr. NEUMAN. That is all, and incidentally, our backlog for gages is twice what it was at this same time last year.

The CHAIRMAN. Thank you very much, Mr. Neuman. I think it will help us to understand the present critical situation in which your industry is placed.

Mr. ROWELL. I think this would be a good time, Mr. Chairman, to have placed in the record the statement that I have made on several other occasions, that the calls for tools and dies from the important prime contractors are considerably larger today than at any time since the war program started.

I would like to call on Mr. R. F. Moore, the president of the Moore Specialty Machine Tool Co., of Bridgeport, Conn.

STATEMENT OF R. F. MOORE, PRESIDENT, MOORE SPECIALTY
MACHINE TOOL CO., BRIDGEPORT, CONN.

Mr. MOORE. Mr. Chairman and fellow members: I, as the others, have several letters that are so typical of this situation that I don't see any particular advantage in reading them, because it is just repetition.

However, to bear out a point that we have tried to get across, here is a particular letter which, rather than being from one of those large

concerns like Sperry or Ford or General Motors, comes from a small company in Brooklyn, N. Y.—the Goat Metal Stampings Co. Now this company are specialists in making parts. In other words, they make the parts that go into radar and communications, and are so special in their nature in production that the large companies, such as the R. C. A., do not even attempt to make the parts themselves. We happen to be making some tools for this particular small company and the tools are needed for vital radar. And electronic equipment and electronic tube elements and parts—they are tiny and they are difficult, that is, they are fragile—the tolerances are small and the production job is a specialty. Now these parts are vital in certain instruments and the R. C. A. picks out a small company, and this strikes me as being typical of showing what our production has been in this war effort, and what the tool and die industry, as well as the machine-tool industry, of course, have done to make this production.

Now, I am going to make myself very brief. I want to endeavor to make the statement that there is a production, the airplane industry, that has increased from 1 to 100. In other words, as I understand the increase in production of our airplanes started in 1940, and it was 900 at the end of the year 1943—no, it ran 2 months into 1944. I am going to venture to say that the airplane industry can go from that 100 now to 150 with the same manpower, but not without the tool and die industry.

Tools and dies at the beginning of the war were not needed as urgently as they are today, for the simple reason that the machine-tool program was 1-, 2-, or 3-year programs, and a good many of the tools that were necessary were machine tools. Today the machine-tool job is over 90 percent completed; consequently what we are doing today is converting, changing, and making new products. The special tools are used in some basic machine tools, but the change-over comes about by converting the machine tools, by making special parts and making different parts, and where 2 or 3 years ago we would have had a delivery, we could have delivered maybe 3, 4, 5, or 6 months, and sometimes a year was perfectly satisfactory, today our industry is required to make deliveries within 30 to 60 days—90 days I have heard very few cases of 90-day delivery, so you will see from that we have had to pull the backlog down, which is a very grave responsibility for the few we have had to do it with, this shortage of skilled men. They say they cannot wait a year any more to get these tools, they have to have them next week or the week after, they got to do it, that particular job, right away. Thank you.

The CHAIRMAN. Mr. Moore, the main point you want to make is that the tool and die industry is not to be gaged as to its importance by the number of employees maintained in the industry, as a ship-builder or an aircraft builder may be gaged, but rather by the use to which the product of the industry is applied.

Mr. MOORE. In other words, we in the tool and die industry have taken skill out of the job by tooling it right; and when we take the skill out of a job we throw it into unskilled hands; we can take them off the street and put them on the job and go to work on it. That is what we do by taking the skill out of the job, and it is tools, dies, and engineering that do the job.

Of course, a tool and a die are somewhat perishable; they are not to be confused with machine tools. Machine tools might have a life of

10 years whereas a tool that goes into the machine might have a life of only a week or 2, or it might have a life of only an hour, particularly today.

Another point I did want to bring out today is the multitude of special tools, for the simple reason that skill has been taken out of the production line. They have had to let men go and they have had to replace them with women. The trial didn't work. The women had never had any shop experience whatsoever, and one little false move, such as was described here previously, by putting in two parts instead of one, might ruin the die or break it. In other words, 2 weeks of skilled work have gone for nothing. I have seen the same thing with dies for laminations in the Westinghouse. Recently I saw a similar instance of that, where they had put a woman in a pressroom—these dies and laminations run from 1,000 to 2,000 hours apiece—and she put in two parts instead of one, just a careless little move that anybody might make, and they do it every so often, and a thousand-hour job is absolutely ruined. Sometimes they just push the bottom right through the die, and there is nothing left whatsoever that can be used.

The CHAIRMAN. Thank you very much, Mr. Moore.

Mr. ROWELL. Mr. Moore, did you intend to put that letter into the record?

Mr. MOORE. Yes; I will read the letter.

GOAT METAL STAMPINGS, INC.,
Brooklyn, N. Y., March 27, 1944.

MOORE SPECIAL TOOL CO.,
Bridgeport, Conn.
(Attention: Mr. W. Angell.)

GENTLEMEN: This is simply to inquire whether something cannot be done to overcome the difficulty we have been experiencing on unfavorable deliveries of the precision stamping dies you make for us.

I believe you are aware that practically all this tooling is for the production of the electronic tube elements required in connection with vital radar equipment, and that delay of tools seriously disturbs and delays entire programs for which such materials are required.

We will hope that you can advise favorably and awaiting an early response, we remain,

Yours very truly,

GOAT METAL STAMPINGS, INC.,
E. F. STAYER, Secretary.

Mr. ROWELL. I will call as my next witness Mr. V. A. Weiland of the Weiland Tool & Die Co., Chicago, Ill.

STATEMENT OF V. A. WEILAND, OF THE WEILAND TOOL & DIE CO., CHICAGO, ILL.

Mr. WEILAND. Mr. Chairman and gentlemen, I would just like to say a few words on the effect of cancelation and termination of war contracts, particularly on the tool and die business.

Certain misinformed people are under the impression that due to certain cancelations and terminations the need for special tool and die programs is over. Quite the contrary is true, as I believe you realize: As fast as these war contracts are being terminated, others are being placed to absorb the difference in new models, changes, and so forth, so that the total amount of hours put out by the industry today is as great as if not greater than, ever before.

Now to cite a typical instance, which I believe is true of nearly all change-overs, on a certain procurement program. When it was

originally promulgated, they allowed 14 weeks for tooling up, they changed their design and required a great number of new dies on the change-over, and they are only allowing 4 weeks.

Now, if the men are pulled from our shops we cannot meet the much shorter delivery dates which the armed forces are now requiring.

Another point is, as they are changing their designs they are getting ever closer and closer limits, requiring a higher degree of skill at all times, which cannot be done by a mere trainee.

For your information I would like to add to the testimony of Mr. Neuman, that the selective service boards allow 5 years' training of a manning table for tool and die makers. That period of 5 years is more than they allow for any other class of skilled help. They realize how long it takes to make a good tool and die maker, so far as our industry goes, and being a key industry, well it might be said that you cannot make your key until you get your tools.

I believe that is all.

The CHAIRMAN. We appreciate your statement very much.

Mr. ROWELL. I would like to call on Mr. John Barth, of the Barth Stamping & Machine Works, Cleveland, Ohio.

STATEMENT OF JOHN BARTH, PRESIDENT OF BARTH STAMPING & MACHINE WORKS, CLEVELAND, OHIO

Mr. BARTH. I have a letter here from the National Advisory Committee for Aeronautics that shows our work is not only needed today, but it will be needed in the future, and that our help that we have is so scarce, we have so little of it, that in many many cases we have to refuse to take these jobs. Our shop is located in Cleveland, and we make laminations. Here is a letter that came in:

This laboratory is interested in purchasing 10,000 laminations in accordance with the enclosed blueprints. It will be appreciated if you will quote me by wire to this laboratory the unit delivery price, delivery based on AA-1 priority.

Now we had to wire those people telling them we could not do the job.

I have a letter here that I won't read, it will take too long; but I might make the statement that it is along the same line and shows that we have been serving them.

The CHAIRMAN. You may put that in the record with the other testimony.

Mr. BARTH. I can briefly indicate to you a little bit better what we are doing with these pictures. We have a lot of parts that we make for General Electric for the antirocket bomb. This is an instrument that G. E. brought out to divert bombs after the Germans had shot them at our planes. Unfortunately we started to make these tools and just as we got ready to make up a bunch of them we got a cancelation. In other words, the thing didn't work. Now what is G. E. going to do? They are going to work day and night to make it work. Maybe they will make it work, but how are they going to get all these parts?

Here is another thing, a trench mortar fin, which was made on a jig in our shop. It was a three-operation job; we made it a one-operation job. The first mistake, and that is finished, we had one of our men repair that; that is, one of our boys, like this young man you saw here, has to take care of those things. They make 4,800 per hour or more with these and all of these dies have to be renewed.

Now Jack & Heinz could not do a thing without those laminations. If that lamination die fell down they would be through.

Now General Electric—I mean Westinghouse—on this binocular, this 40-cycle diopter, every one of the little slots has to be with one ten-one thousands, that twenty-five one millionths. We have done work for all of the Westinghouse plants and we have made that for them.

Let me say right here that the Westinghouse insisted that we were the only ones in the country that could produce this die and these gages to one ten thousands accuracy.

Now I have quite a few pictures here, but I have talked about a few of them.

Here is a whole group of dies. These dies were designed and built 7 weeks. However, we cannot load any for them.

There is a big punch die, it takes about 30 or more men day and night to cut that job out. Now that is a lot of time. We do that for Jack & Heinz, see the mark on here, this lamination die used on the Jack & Heinz motors for airplane starters. If this die had failed, their entire production would have to stop. This lamination die took 3 months' work day and night to build.

Now a couple of months ago I went out to a place near Cleveland where they are making those incendiary bombs that they drop on Germany right now, and he was making those with a lot of help and he was having a lot of trouble with his help. This machine, after he had had it a week, he told me then that this machine has doubled his production and eliminated seven people.

Now, I just want to say that our industry is not only needed today for the war, but it is needed for tomorrow, because there is new business coming out like this thing that G. E. is working on now. They are trying to find out what is wrong with it.

Another thing, these tools that are in use all the time, just like that die, have to be repaired and new parts have to be made for them.

I guess that is enough.

The CHAIRMAN. We appreciate your statement very much, Mr. Barth. The vital thing before the committee is the problem of this wartime program. Unquestionably, the new demands that are being made on the industry are something that we have got to think about.

Mr. ROWELL. Our problem is one that I have pointed out.

I now would like to call on Mr. Janiszewski, president of the Superior Steel Products Co., Milwaukee, Wis.

STATEMENT OF MR. JANISZEWSKI, PRESIDENT, SUPERIOR STEEL PRODUCTS CO., MILWAUKEE, WIS.

Mr. JANISZEWSKI. Mr. Chairman, I want to make my statement as brief as possible, because there is plenty to talk about, all more or less to the same extent and repetition, but I just want to emphasize one thing that goes to show you clearly what the case of the tool shop is, and that it is not so long ago that a firm we have been dealing with for some time called on us. They had a chance of getting a contract on a lathe and that lathe had to be made in three parts, and it was welded; the production they had at that time, that firm employed approximately 31 welders, but this customer of ours, he could not secure welders, and consequently he asked whether there was a possibility that we could design a die to produce the shell in one piece

so as to eliminate the welding. The result was that we have produced one, and the rate they are turning out munitions today, I am told that it would take at least 150 welders to keep the line going.

The second thing, the way I feel about our industry is this: That adding to that, with other industries who are going to lose a great number of men within the age of 26 and under, therefore the tool and die industry should be given the same consideration, for the simple reason that whatever we lose it will be by drafting the men 26 years and under in various industries. I am told that our industry, by its ingenuity and skill, can maintain the present production, instead of a loss in production in industry, but there is every possibility that they can increase it. That is all. Thank you.

The CHAIRMAN. It is one of the most vital problems confronting this country. If there is a need for greater manpower, the tool and die industry will have a very important part to play in producing labor-saving devices with which to do it.

Mr. ROWELL. That is correct, Mr. Chairman. I would like to call on one more witness, if you please, Mr. Stewart Sinclair, of Chicago.

The CHAIRMAN. Mr. Sinclair.

STATEMENT OF STEWART SINCLAIR, OF CHICAGO

Mr. SINCLAIR. I represent the industry in the Chicago area, approximately 100 tool shops, and I want to emphasize the question that Mr. Sparkman asked Mr. Rowell, and I would like chance to read a couple of statements out of several letters and ask—each one of our companies has a statement from some of their prime contractors as to what the effect would be in their production of war goods were 20 percent of their men taken out, 20 percent of the young tool makers, and one or two items are from companies such as the Westinghouse Electric and the Stewart-Warner Corporation. I would like to read the Westinghouse letter, a portion of it, as follows—this letter is dated January 4, 1944, and is addressed to the Allied Tool & Machine Co., Chicago, Ill. I will read only a part of it:

Our orders to you now include tools for radio equipment used in planes by the Signal Corps, and the Navy. The priorities on this equipment vary, one job on which you have orders is now A-20, and we have been told by the Navy to expect this to change to A-1 soon and to let nothing stand in the way of this program.

This device is new and is not yet in production at any plant.

From the above, I believe you can see the importance of taking every possible step to obtain deferments for your people who are making these tools and to meet scheduled delivery dates which tie in with the over-all program of our armed forces.

Then this, from the Stewart-Warner Corporation, dated January 11, 1944, addressed to Howard B. Jones, Chicago, Ill., and I will read only the last paragraph:

Obviously, we will be unable to meet our schedules if your delivery problems are aggravated by loss of additional manpower. Therefore, we do not hesitate to say that further reduction in your output will materially affect our ability to deliver our contract on the model A. B. J. according to schedule.

From the Chicago Die Mold Manufacturing Co., dated January 3, 1943, addressed to the Midland Die & Engraving Co., Chicago, Ill., and I will read only the last paragraph:

Ninety-seven percent of our contracts are for Army and Navy, Signal Corps, and Aircraft Communications, and the bottleneck of our entire operation is tools and dies. In case the available man-hours in this department are reduced, our production will be very seriously curtailed.

One other, and this is from the Consolidated Radio Products Co. of Chicago, is dated December 30, 1943, and is addressed to the Industrial Molded Products Co., Chicago, Ill. I will read only the last paragraph:

All of our production is devoted to the war effort. All of our contracts carry preference rating of AA-1 or better. We are already behind schedule on a number of our contracts due to your past failures to produce, particularly in your tool and die work. We just cannot condone any further delay. We have been looking forward to an improvement rather than an increased delay in your performance and would urge that you take every step in your power to hold your present organization intact, appealing to your highest power to effect this end.

Mr. Chairman, that is the typical situation in Chicago. If one shop cannot produce or manufacture, the prime contractor cannot turn to another shop, because every shop in Chicago is burdened with exactly the same thing in exactly the same proportion.

The CHAIRMAN. The tool and die industry we know in that area is definitely falling behind in living up to the contracts that they have.

Mr. SINCLAIR. Yes; they cannot keep up with their schedules; as Mr. Weiland pointed out, if a contract is canceled it is immediately replaced with another one with even greater pressure, and the redesigning problems coming up in greater force, the old ones won't work, and they put in a new one and they have got to have it forthwith. Every man taken out just weakens the whole war effort, so far as the Chicago output is concerned, and the national organization in the same proportion.

Thank you very much.

Mr. ROWELL. Mr. Chairman, I have a letter addressed to the Ehrhardt Tool & Machine Co., St. Louis, Mo., signed by Colonel Coward from the Army Service Forces, Office of the Chief of Ordnance, St. Louis Ordnance District, which I would like to read into the record.

This letter is dated March 29, 1944.

ARMY SERVICE FORCES,
OFFICE OF THE CHIEF OF ORDNANCE,
ST. LOUIS ORDNANCE DISTRICT,
St. Louis, Mo., March 29, 1944.

EHRRHARDT TOOL & MACHINE Co.,
St. Louis, Mo.

Attention of Mr. W. Ehrhardt.

GENTLEMEN: In response to your urgent request, this office has at numerous times through all known channels attempted to aid you in securing the gagemaker personnel required for you to fulfill your obligations under the first and second ordnance gage expansion programs. You are not alone in this problem as similar requests have been received from the other four plants expanded at the same time.

Recent rulings by the Army Service Forces and Selective Service indicate that the problem is to become more critical through the loss of present employees to the draft. This is especially true of the men under 26 years of age who gage manufacturers have found after basic training were particularly well suited through better education and lack of fear of working to the extreme tolerances of 1/10,000 and 1/100,000 than their elders. These men developed rapidly and it is understood in many cases they surpassed the older men in ability.

Gages have always been a critical item in this district and our past experience and records show that deliveries have frequently been delayed anywhere from 1 to 3 months because of the inability of the facilities to secure and hold their minimum

requirements of this type of personnel. While the gage load on most Ordnance items has decreased tremendously in the past several months, this decrease has been offset by your loss of gagemakers to such an extent that there are still a number of development and critical items for which the gage requirements are not being met in time to provide required gages at the start of production.

While your plant was originally expanded for the production of Ordnance gages, the tremendous demand for gages by other services and their lack of facilities necessitated this office making your facilities available to the Air Corps, Navy, and other war services, thus imposing an additional load on your gage capacity.

The above information is reviewed in case you have overlooked some points and desire to submit your case to the War Manpower Commission and present the facts so that the proper Government department can combine this information and reach a decision most compatible with our war effort.

For the district chief:

Yours very truly,

R. W. COWARD,

Lieutenant Colonel, Ordnance Department, Assistant.

I think, Mr. Chairman, that sums up pretty well the testimony we would have from any others that may be present.

I would like to offer these letters that I now hand the reporter into the record.

The CHAIRMAN. They will be accepted as additional exhibits.

Mr. ROWELL. We are fortunate, Mr. Chairman, in having with us one of the founders of our group, and the president of the National Tool and Die Manufacturers Association, Mr. L. A. Sommer, president of the Sommer & Adams Co., Cleveland, Ohio, whom I would like to have thank this committee for the very generous time that they have afforded us today, if Mr. Sommer will come forward.

STATEMENT OF L. A. SOMMER, PRESIDENT OF SOMMER & ADAMS CO., CLEVELAND, OHIO

Mr. SOMMER. There are very few words that I have to say. Now you have heard from the testimony that has been offered today that we have about the same problem. Manpower, of course, is the most vital thing we have to contend with today.

There is one thing I would like to suggest to the committee, which I don't believe has been mentioned today, and that is the vast number of plants are composed of small numbers of men, they are all small plants, most of them run from 20 to 150 men. It is a very large shop that has over 50 men. We have no direct war contracts. Our work is practically all subcontracts. When the Government first laid out the program, they went to the larger manufacturers but the larger manufacturers came to us for the tools, dies, jigs, and fixtures. The result was that we had no direct contact with the Government, therefore they don't know the things that we did for industry, and that is one of the reasons why you seem a little bit surprised that our problems were not better known by Donald Nelson. He has had no problem up to date, so far as we are concerned. We have supplied the tools and fixtures to the larger manufacturers and they have kept up their production.

But, from the fact that we are losing our men and demands are growing on us, the time will soon come that their production will sag very decidedly, so I think the time is here that we want to head that off before it becomes too drastic. That is what has brought out members to the various hearings in Washington, in order that we

might present the full facts so that something might be done to relieve our situation. We will soon be very badly in need of some additional help and we want to be able to get it.

Now I don't want to bore you with any more testimony along the same lines that the other boys have given, but I do want to thank you for your attention. I want to thank you for giving us this opportunity to appear before you, and I want you to know that we appreciate it and we hope something can be done to relieve what we think, is fact, what we know today is a very serious situation.

I have a number of telegrams here similar to the letters that have been read before in this testimony.

Mr. ROWELL. Could we offer those, Mr. Chairman?

Mr. SOMMER. I would like to offer them.

The CHAIRMAN. They will be received as exhibits.

Mr. Sommer, I would like to ask you one question.

Mr. SOMMER. Yes, sir.

The CHAIRMAN. And that is whether the smaller plants who are finding themselves in difficulty, in not getting any current business, and so forth, could apply to the Smaller War Plants Corporation. I assume they have always been kept current and could possibly handle a problem of that kind.

Mr. SOMMER. I don't believe any of our tool plants have applied to the Smaller War Plants Corporation for any assistance of any kind. We have not been soliciting work. Work has been brought to us and in many instances we are almost compelled to take work for all our people. I know that our plant was during the early part of the war program. One of the country manufacturers thought it necessary to have a special machine built for cutting threads on the end of gun barrels and also in the breech arrangement for gun barrels. Apparently there was no one in the country at that time who was willing to undertake to do it. They all had so much work to do. So we took an order for 1 machine which we had the capacity to build. Before we even got started with it we had orders for 16 of those machines. That was pretty nearly the limit. We increased our facilities and expanded our working force to take care of that.

I think that has been true of all of the tool plants, they have all expanded their facilities and they have gone as far as they can possibly go to take care of the war needs. With all the expansion we have had we are still not able to take care of it. Every day we are all turning down orders for work that we cannot take on account of manpower, and the fact that we are losing our men. We have men, one man 36 years old and another 32, and we got deferments, 6 months deferments, for one of our men, and we enjoyed that deferment or that privilege of deferment for about 2 months, and then he was reclassified and put back into 1-A. I don't know what the result of that is going to be, but we need him very badly.

The CHAIRMAN. We appreciate your statement very much, Mr. Sommer.

Mr. ROWELL. Mr. Chairman, I would like to make a correction in Mr. Sommer's response to your inquiry as to the Smaller War Plants. I think not because he wanted to mislead the Chair, but because of lack of knowledge. We have had occasion, some of our member firms, to go before the Smaller War Plants Corporation but we have

not found the Corporation very helpful to small industry, but we do find now a definite willingness to give all the aid that is within their prerogative to give, and we are very hopeful, and we believe that the Smaller War Plants Corporation is going to play a very important part.

The CHAIRMAN. Of course, the Smaller War Plants Corporation is not represented, either on the interagency committee or on some of the other major committees here in Washington, but the committee might be able to play its part.

Mr. ROWELL. Mr. Chairman, I think it is to be hoped that the Smaller War Plants Corporation sits on that interagency committee, and I would strongly urge that they have a representative on the interagency committee.

Now in closing our statement we are most grateful for the opportunity we have had to appear before this honorable body, and we will be most grateful for any assistance that we may have, to have this critical industry placed on the critical list, along with the others—I understood it was 8 that had been designated, but I am now informed, since our first meeting yesterday, that it has been increased to 13. I wish it had been increased to 14 to include the tool and die industry, because that is what is really needed.

I think that if the chairman of this special committee will follow the plan that he suggested in furnishing Mr. Nelson or Mr. Wilson, of the War Production Board, with a copy of this transcript, that it may be very helpful.

We are very grateful, Mr. Chairman, for the privilege of appearing before you.

The CHAIRMAN. Thank you, Mr. Rowell, and members of the industry who have appeared here before the committee. I believe that the testimony you have presented to us will be helpful. We will see that a copy of the transcript is brought to the attention of Mr. Nelson for his comment upon it. I hope some benefit may accrue to your selves and to the war effort.

Mr. ROWELL. Thank you, sir. If this association at any time in the future can offer any assistance to this special committee, please feel free to call upon us.

The CHAIRMAN. Thank you. That will conclude the hearing on this subject on the part of the special committee until after the Easter recess.

(Whereupon, at 4:05 p. m., the committee adjourned.)

APPENDIX

GLOUCESTER FISHERIES ASSOCIATION,
Gloucester, Mass., April 4, 1944.

Hon. JOHN M. COSTELLO,
Chairman, Military Affairs, Subcommittee on Manpower Problems,
House Office Building, Washington, D. C.

DEAR SIR: Enclosed herewith is copy of survey completed late in January of this year showing the number in crews of Gloucester vessels operating during the various fishing periods of 1943 and the number of men and women employed at local fish plants as of February 1, 1944, compared with the number similarly employed during the peak production period of last year. Congressman Bates left parts of this survey with you Friday of last week when he, Congressman Bland, and Congressman Peterson called to the attention of your committee the very critical situation facing the fishery industry, both fleet and shore establishments, as the result of the heavy draft of manpower now taking place in the Selective Service.

This survey showed—

(1) That as of February 1 this year 560 more fishermen would be needed during the peak production period this summer, to provide minimum crews to vessels of the Gloucester fleet, to vessels which we knew at the time were being returned by the Navy and Coast Guard (6), and to vessels then under construction and scheduled for operation by July or early August (25).

(2) That to provide local fish firms this summer with the same number of workers they had during the peak production period of 1943 would require 467 more men and 261 more women than the number employed on February 1. In other words, 1,027 more men and 261 more women will be needed to meet minimum requirements of the Gloucester fisheries, fleet and shore plants, during the production peak, June to October, this year.

The general situation has been accentuated since this survey was completed.

Six more vessels taken by the Navy and Coast Guard in 1942 are being returned to owners and will be converted for fishing within the next few weeks. These vessels will require a total of 72 fishermen for minimum crews.

Six additional new vessels under construction, not accounted for in our survey of February 1, will require 60 additional crew members.

Four new fish firms have established at Gloucester since the peak season of 1943. Minimum requirements of these firms will be at least 60 men and an equal number of women.

As the situation stands at the moment, 692 more fishermen and 527 more fish workers will be needed to meet requirements during the coming summer.

Extension of the nondeferrable age category to 26 years has automatically placed in class 1-A, subject to immediate induction, captains of two Gloucester vessels, and engineers of a number of others. Under the recent order of the National Selective Service, there is nothing the local selective service board or the State selective board can do about it even though these men are essential to the operation of these vessels.

The position of captain is one of responsibility in the operation of any fishing vessel, and whether or not the vessel produces what it is capable of, depends entirely upon the judgment and the ability of the one in charge.

There already is a serious shortage of men qualified to operate Diesel engines that these boats are equipped with, as well as a similar shortage of experienced mechanics required in the servicing and maintenance of these engines to keep the vessels in operation. The drafting of any of these engineers or captains will further add to the extreme difficulty we will be faced with in operating the fishing fleet from now on.

The same attention must be given to key workers in fish plants, who are absolutely essential to the efficient operation of these plants. It must be kept in mind

that Gloucester primarily is a fishing community. Most of our industrial workers are engaged in the fisheries or in industries allied to it. The fishing industry is a highly perishable one, therefore, no delay can be permitted in the handling of fish once it is landed on the wharves.

I understand Fish and Wildlife Service has provided your committee with a report on the relative poundage of fish produced per crew member as compared with the poundage of food produced per capita by agricultural workers and others engaged in food production and processing industries. It is my belief, and this fact should be kept in mind, that the per pound of food produced per man in the fishing industry is considerably greater than in any other part of our food production program. If deferments are to be granted on any basis to agricultural workers, certainly the same consideration should be given keymen in the fisheries, both in the fleet and in shore plants.

The urgency of the situation is so great I deem it imperative to call it to your attention so that immediate action can be taken by your committee through the War Manpower Commission, to issue orders at once that will give local service boards in the fishing ports the power to defer keymen who are so essential in the functioning of this important industry.

In respect to the situation here at Gloucester, such action is mandatory if we are to avoid tie-up of vessels that should be in production to augment the food supply of the country.

Very truly yours,

GLoucester FISHERIES ASSOCIATION,
By L. J. HART, *Secretary*.

GLoucester FISHERIES ASSOCIATION
GLoucester, MASS.

FEBRUARY 1, 1944.

Gloucester faces a serious manpower shortage in the operation of its commercial fishing vessels and fish-processing plants—a situation that will become more acute as the heavy fishing season approaches and will be added to further as vessels being returned by the Navy and Coast Guard, and as new vessels now under construction become ready for operation.

In the various surveys and analyses made, summaries of which are given following, the months of February, July, October, and December were taken to indicate different types of fishing periods, such as when vessels change over from dragging to seining, back from seining to dragging; also when smaller boats engaged in shore fishing tie up because of migration of fish offshore, as in the case of gill netters, small draggers, and trap fishermen, or when the weather becomes too heavy for safe operation.

Some Gloucester vessels fish from other ports at different times during the year. During the early part of the mackerel-seining season, Gloucester seiners operate from New Jersey ports. Other vessels, draggers, fish out of southern ports during the winter months. These vessels for the most part have Gloucester crews. The following summaries take all these conditions into account.

Table A attached, summarized following, shows that 128 tonnage fishing vessels cleared through the port of Gloucester during 1943. These vessels are engaged in offshore fishing—principally dragging and seining.

Month, 1943	Number of vessels	Total crews ¹
February.....	90	756
July.....	120	1,205
October.....	125	1,185
December.....	116	998

¹ Of the above total crews, 107 were non-Gloucester fishermen.

Table B attached shows that 116 numbered commercial fishing boats (under 5 tons gross) cleared through the port of Gloucester, as follows:

Month, 1943	Number of vessels	Total crews
February.....	16	49
July.....	104	253
October.....	54	101
December.....	12	23

Table C gives the number in crews of Gloucester vessels fishing from other ports in 1943 during one or more of the checked periods (February, July, October, December), as follows:

February.....	95
July.....	27
October.....	23
December.....	51

From the foregoing tables, it will be seen that the total number in crews of Gloucester fishing vessels during the checked fishing periods of 1943 was as follows:

	February	July	October	December
Table A.....	756	1,205	1,185	998
Table B.....	49	253	101	23
Table C.....	95	27	23	51
Total.....	900	1,485	1,309	1,072

To forecast actual requirements from now on, the following additions must be made to the totals given preceding:

- (1) Add 88 to the February total and 36 to July total representing crews of vessels added to the Gloucester fleet after July 1, 1943, as listed in table D.
- (2) Add 60 each to February (1945) and December totals; 72 each July and October totals, representing crew requirements of chartered vessels already returned or being returned by the Navy and Coast Guard, and referred to in table E.
- (3) Add 250 each to February (1945) and December totals; also 280 each to July and October totals representing crew requirements of vessels now under construction and expected to be in operation by July 1, 1944. These are listed in table F.

These additions to the total number in crews of Gloucester fishing vessels operating in 1943 (including new vessels added to the Gloucester fleet after July 1) according to the fishing periods checked, give the following crew requirements

Tables	February 1944	July 1944	October 1944	December 1944	February 1945
A, B, C.....	900	1,485	1,309	1,072	900
D.....	88	36	0	0	88
E.....	0	72	72	60	60
F.....	0	280	280	250	250
Total.....	988	1,873	1,661	1,382	1,298

NOTE.—The difference between February and December totals may seem unduly large. This is explained by the fact that gill netters, small draggers, and trap fishermen are tied up during the February fishing period, as referred to at the beginning of this statement. Several vessels operate during the seining season only and tie up in December until start of the next mackerel season.

The large increase in the July fishing period total results from vessels changing over from dragging to seining, a larger crew is required. The drop-off in the October total results from some vessels changing back to dragging, while others continue.

The foregoing analysis of accompanying tables shows there are approximately 1,000 at present in crews of Gloucester commercial fishing vessels, now operating. Beginning with March, some of the gill netters will change over to dragging and seining; small draggers and other vessels in the shore fisheries will start operating. In April, larger draggers will begin changing over to mackerel seining. Crew requirements will continue to increase until the July fishing period peak is reached. This high peak will continue through September. During early September gill netters will change back from seining and dragging to gill netting. The peak then will start dropping toward the October level.

The immediate problem, therefore, is: "Where can fishermen be found to meet the increased requirements from now on?"

On the basis of 1943 operation, 533 fishermen will be needed above the February level to reach July fishing period requirements. If the vessels released by the Navy and Coast Guard, and the new vessels now under construction are to be operated, 885 additional fishermen will be needed to meet July requirements.

This number (885) will be reduced in part by—

(1) Return to fishing of numbered boats (table B). There are 116 such boats, with July requirements of 253. About 50 of this number obtain transient sites on the larger vessels, so making allowance for this means that 203 fishermen who work during the tie-up period overhauling their own boats and fishing gear or are employed at other places ashore will return fishing before July 1.

(2) Return to fishing of gill netters and smaller draggers in the tonnage vessel class. There are 16 such vessels with total in crews of 137. From 10 to 15 of this number may obtain transient sites on the larger vessels, so making allowance for this means that 122, who during the February period are not engaged in fishing, would return to fishing before July 1.

Deducting from 885 the 203 and the 122 fishermen referred to in paragraphs (1) and (2) preceding, leaves a total of 560 as the number of additional fishermen that must be found somewhere to meet the July fishing period crew requirements.

There is not available locally anywhere near such number (560) who have had fishing experience. Some few with fishing experience are employed at local fish-processing firms. As fish production increases, these firms will face as acute a labor shortage as will fishing vessels.

Last year it was necessary to obtain permission from the Children's Bureau of the United States Department of Labor for employment of minors (girls and boys under 16) in certain approved occupations of the local fisheries. With the number of men from local fish firms inducted since the peak of last summer, and with the probable increase in amount of fish to be handled as a result of vessels being returned by the Navy and Coast Guard and the new vessels now under construction (if such vessels are to operate), local fish firms will require more manpower from now on, and considerably more as the peak is reached during midsummer.

The following table shows the number of men and women employed at local fish firms as of February 1, 1944, and the total number employed at the peak of production in 1943. Number of men and women cutters is given.

Fresh-fish and fish-processing employees

[Number firms, 22]

	Employed at present ¹	Employed at peak period (summer) 1943 ²
Men.....	1,055	1,522
Women.....	528	739

¹ Above figures include 277 men cutters and 58 women cutters.

² Above figures include 453 men cutters and 91 women cutters.

The above comparison shows that local fish firms will require 467 more men and 261 more women during the summer peak period this year than employed at present. This increase is predicated on the amount of fish landed during the height of the season this year being about the same as last year. If the amount of fish to be handled is greater, which certainly will be the case if more boats are operating, then local fish firms will require a larger number.

The preceding figures have been checked carefully. Additional crew requirements of vessels of the present Gloucester fleet for the peak fishing season during

the summer, and to operate the vessels being returned by the Navy and Coast Guard and those under construction, will be 560 men.

To meet peak requirements of last summer, fish firms will need 467 more men and 261 more women than at present employed. The actual number needed doubtless will be more. If fishing vessels draw from fish workers to replace crew members drafted, it will mean the manpower shortage of local fish firms will be seriously increased and a point will be reached where fish landed cannot be handled. This presents a very serious situation in respect both to the operation of fishing vessels and the ability of local fish firms to handle and to process fish landed. Unless some action is taken in respect to deferment of fishermen and fish workers, especially cutters, this situation will continue to become worse.

GLoucester Fisheries Association,
By L. P. HART, *Secretary*.

ATLANTIC FISHERMEN'S UNION,
January 29, 1944.

GLoucester Fishing Vessel Owners' Association,
Gloucester, Mass.

GENTLEMEN: The Atlantic Fishermen's Union has received your letter of January 29 and is very happy to cooperate with your association and with the chamber of commerce in order to do what we can to help the critical situation which will arise in Gloucester this summer because of the shortage of available fishermen. Our union membership includes the greater part of the men in Gloucester actively engaged in fishing. Our approximate figures are as follows:

Our present membership consists of approximately 1,100 fishermen. This includes our members that have entered the armed forces and who are still members of this union although, of course, they are no longer actively fishing. In my opinion, there are about 200 men in this class. This would reduce our number of available fishermen who are members of this union to approximately 900. Of the 900 members of the union, about 50 are men of the age of 65 or over. Also there are included in this number about 75 men living outside of Gloucester who fish on Gloucester vessels and are members of this union. It is very difficult for me to estimate the number of men who are fishing that are not members of this union. Of course, substantially all of the men who are fishing on the regular fishing boats carrying a regular crew are members of the union. There are a number of lobster boats operated by 1 man and very small boats with 1 or 2 men that do not belong to this union. These boats fish only a very few miles off shore, going back and forth daily. My best guess for the number of men available for this type of fishing would not exceed 150 who are not members of this union.

Having in mind the number of vessels returned by the Navy and Coast Guard to our local fleet and those that will probably be returned within the next month or two, and also having in mind the number of new boats that are being constructed, I do not see how we can possibly furnish full crews, even under this present situation, for our vessels. I understand that the survey of the chamber of commerce has indicated a need of approximately 1,800 men to man our local fleet during the active fishing months of the spring, summer, and fall. It seems to me that stretching the figures of men presently available to the limit, that we will not have over 1,200 men available at the very most. In fact, the number will probably be substantially less than that and may well not exceed between 900 and 1,000. Frankly, I see a great deal of difficulty this summer and the probability that some boats will have to tie up because of the impossibility of securing crews.

Of course, the situation will become even more difficult if any of our good men are drafted. I think that the present situation with respect to this lack of manpower in Gloucester is at least as bad as the situation that faced the farmers last summer. Our union has always wanted to do what is best for the interests of our country, but at this time we honestly feel that experienced fishermen can produce more at their regular occupation and do more for the country in this war as fishermen than as members of the armed services.

Respectfully yours,

FRANK P. GOMES.
ALPHONSUS F. HAYES.

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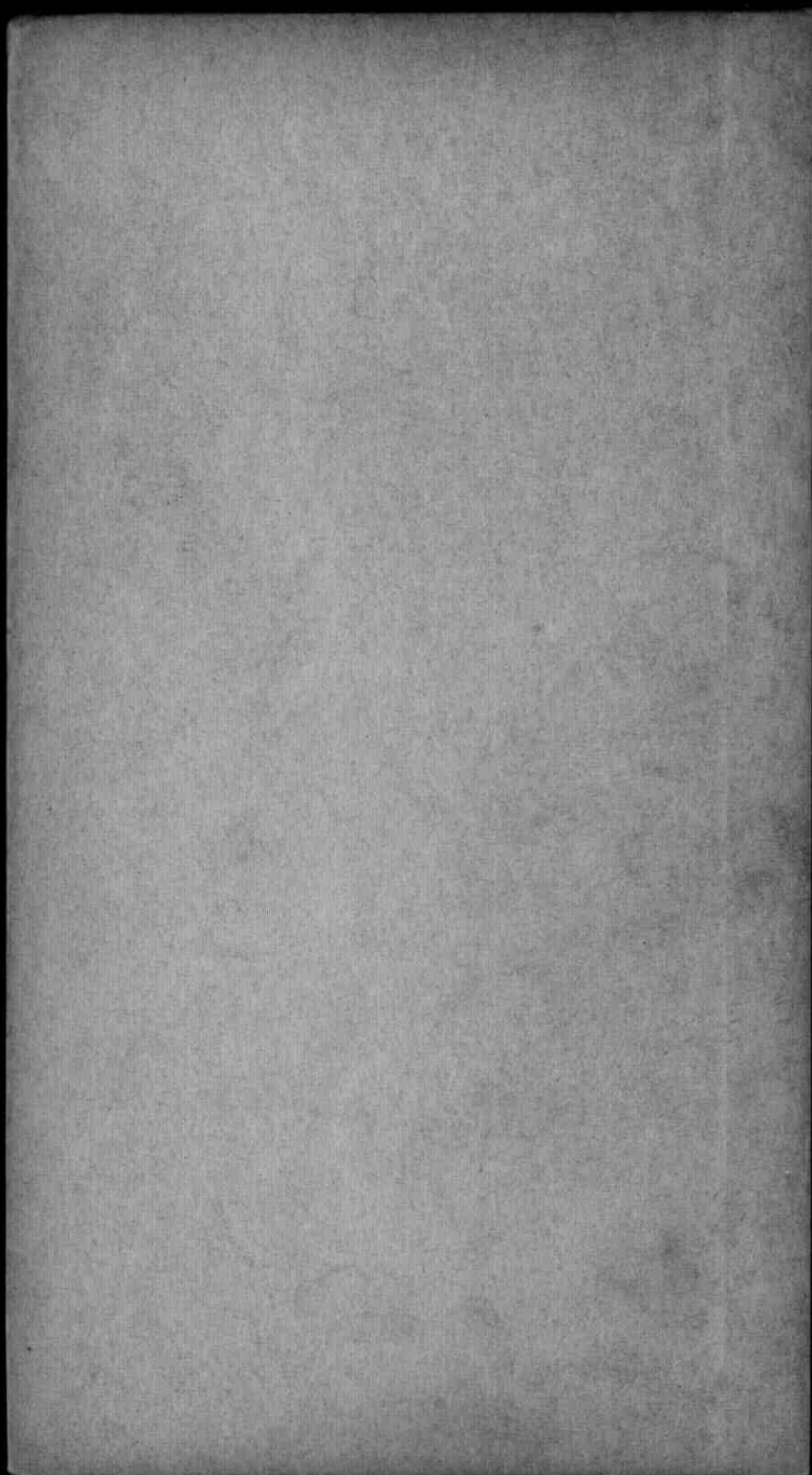
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